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APEC Officials Meet on Economic Cooperation

OW0607050595 Tokyo KYODO in English 0101 GMT 6 Jul 95

[By Keiji Urakami]

[FBIS Transcribed Text] Sapporo, July 6 KYODO — Senior officials from the Asia-Pacific Economic Cooperation (APEC) forum began talks here Thursday [6 July] on ways to expand a mechanism for intra-APEC economic cooperation.

Discussion at the regular high-level APEC meeting in this northern Japan city is based on a new Japanese proposal for a cooperative mechanism in the region, Japanese officials said.

Japan's original idea, called "Partnership for Progress (PFP)" program, which was floated in last November's Indonesian APEC session, met a barrage of criticism from other APEC members.

They claimed there are no distinct differences between the program and conventional aid mechanisms like the Official Development Assistance (ODA) program.

"The scheme is too vague to be fully understood," conference sources said when Japan formally introduced the idea in the previous high-level APEC meeting in Fukuoka in February. "APEC is not an aid organ," they said.

The PFP is designed to help achieve the APEC goal of freeing trade and investment in the Pacific Rim region by 2020, by reinforcing the overall economic foundation of developing countries, rather than by pushing for tangible trade liberalization measures such as tariff cuts.

The scheme specifically calls for APEC to set up a center to coordinate projects that would enable developed and less developed members to pool financial, human, natural and administrative resources to enhance mutual cooperation in the area.

But the scheme has drawn lukewarm response from the rest of APEC's members, prompting Japan to shelve the idea and work out a new version, a Japanese Foreign Ministry official said.

The official did not elaborate on features of the modified plan.

Conference sources said modification became necessary as Japan was being seen from other APEC members as trying to skirt a market-opening call from the world by shifting its focus to the cooperative aspect of the APEC agenda.

APEC's three major issues are trade liberalization, trade facilitation and economic cooperation in the region.

The first two topics were taken at the special high-level session held here Tuesday and Wednesday while the just-started regular meeting for a three-day run is dealing with the third topic.

Other topics to be tabled at the ongoing session include how to set conditions for granting new membership and how to create a dispute settlement mechanism within APEC, Japanese officials said.

APEC members have agreed to freeze new membership for three years from 1993.

Agree to Individual, Collective Action

OW0507155295 Tokyo KYODO in English 1240 GMT 5 Jul 95

[By Keiji Urakami]

[FBIS Transcribed Text] Sapporo, July 5 KYODO — Senior officials from the Asia-Pacific Economic Cooperation (APEC) forum on Wednesday [5 July] agreed to use two major concepts in the process to set and implement action plans for freer trade and investment in the region, Japanese officials said.

The two concepts — "individual actions" and "collective actions" — will be included in a final version of the "action agenda," a set of action guidelines to be adopted at the November APEC summit in Osaka as a way to achieve trade-freeing goals envisioned in the Bogor declaration, the officials said.

"A broad direction has been charted out on APEC's two major fields of trade liberalization and facilitation," Katsuhisa Uchida, ambassador for international economic affairs and trade, said at a press conference.

The two-day special APEC meeting in the northern Japan city of Sapporo was held as the third preparatory session for the Nov. 19 Osaka summit, following one in Fukuoka in February and another in Singapore in April.

The chief aim of the special session is to craft a framework for trade liberalization and facilitation, two of APEC's three major goals. The other topic — economic cooperation within the APEC area — will be taken up at a regular high-level meeting set to start here Thursday for a three-day run.

The latest discussion was held on the basis of the draft action agenda that Japan, this year's rotating chair nation of APEC, has already distributed to other APEC members.

Japan originally proposed that trade liberalization be carried out solely in line with a "concerted and unilateral approach," a concept which formed a major pillar of the draft.

The concept stresses a "volunteering" spirit, rather than compulsory rules and accords, in implementing trade-freeing steps, according to the Japanese explanation.

But Japan's coinage of this phrase — so vague and allowing many interpretations — left many APEC countries puzzled and unconvinced, conference sources said.

The United States, for example, has been opposed to the idea, claiming a voluntary approach alone would allow "free riders" to gain trade benefits from APEC accords while offering nothing to give in return, prompting a call for a more rigid way of ensuring that trade measures be implemented in the APEC area.

Adoption of two conflicting ideas, "individual actions" and "collective actions" are regarded as a compromise between the U.S., which is pushing for quick trade liberalization in APEC with more powerful rules, and less developed Asian economies, which want their trade liberalized at their own pace.

Nancy Adams, assistant U.S. trade representative for APEC affairs said Wednesday, "we probably need both elements."

She said the adoption of "collective actions" will not lead to APEC's transformation into a negotiating organ like the General Agreement on Tariffs and Trade (GATT).

Ambassador Uchida said the high-level session fell short of giving concrete shape to an action agenda for achieving the Bogor declaration, a pledge issued by leaders of the 18 APEC economies during their Indonesia meeting last November.

"A broad outline has just emerged," he said, noting APEC senior officials agreed to hold an unscheduled special session in Hong Kong on Sept. 12-13 to give "more substance" to the latest discussion.

The draft action agenda spells out eight general principles, such as comprehensiveness, consistency with the rules of Uruguay round accords and nondiscrimination.

It also cites 13 specific areas for trade-freeing action, including the reduction and elimination of tariffs and nontariff measures, easing restrictions on investment, simplifying standards and certificates in trade rules and harmonizing customs procedures.

All these steps are to achieve APEC's goal of transforming the area, which accounts for nearly half of global trade, into a free trade and investment zone by 2020 as targeted in the Bogor declaration.

But whether or not these principles and specific measures will be contained in the final version of the action agenda has yet to be decided, said Kazumasa Kusaka, chief of the International Trade Policy Bureau at Japan's International Trade and Industry Ministry. "It's still up in the air."

The draft action agenda also calls for APEC to start implementing action plans for freer trade and investment in the area in January 1997.

But at the November Osaka summit, APEC leaders will set only broad guidelines rather than concrete plans, the draft says.

It proposes that individual action plans by each member be presented to the APEC session in the Philippines in 1996.

The plans will be fine-tuned during a series of consultations to be held in preparation for the APEC ministerial meeting in Canada in November 1997, the draft says.

But Uchida said APEC officials regard January 1997 as the probable action-plan start-up date they will agree on for the Osaka meeting.

The draft also says APEC will announce at the Osaka meeting a plan to accelerate implementation of Uruguay round accords as a "down payment" to bring the Bogor declaration to fruition.

"We have yet to reach consensus on this issue too," Uchida said.

Indian Ocean Trade Plan 'Stymied' by Rivalries

BK0507164095 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 14 Jun 95 p 36

[Report by Michael Dwyer and Greg Earl]

[FBIS Transcribed Text] Traditional rivalries among the nations on the shores of the Indian Ocean appear to have once again stymied moves to facilitate greater economic ties in the region.

Despite a concerted push by Australia, a meeting of Indian Ocean littoral states in Perth over the past three days has decided not to proceed with the formation of a new Indian Ocean Economic Co-operation Council (IOECC).

The move by Australia to set up an IOECC appears to have been hamstrung by an array of separate issues, reflecting the diversity of the countries around the Indian Ocean.

South Africa had expressed concerns about the inclusion of security issues on the forum's agenda, while India remains worried about the role Pakistan would play in any new body.

Many of the smaller states in the Indian Ocean, such as Mauritius and the Seychelles, are also concerned about what they refer to as the "insensitivity" of the larger countries of the region in pushing their own economic agendas.

The defeat of Australia's proposal to establish a new organisation of the littoral states of the Indian Ocean is a major setback for the "Looking West" strategy strongly pushed by the Minister for Foreign Affairs, Senator Evans.

The convener of the Perth forum and former federal treasurer, Mr. John Dawkins, said the general view of delegates was that the formation of an IOECC would have imposed a new institutional arrangement on a region in which subregional organisations already took up a lot of time.

He said the future of a structure like the IOECC would depend on the success of the business and academic meetings in New Delhi in November.

"Participants acknowledged that the countries of the Indian Ocean were starting out on the path of regional co-operation later than many other regions, but that the Perth meeting had demonstrated a real interest in working together for mutual benefit," the chairman's statement from the Perth forum said.

Despite the failures of the Perth forum, the Indian business community remains confident that initiatives to encourage greater economic co-operation will succeed.

The secretary-general of the Federation of Indian Chambers of Commerce and Industry, Dr. Amit Mitra, said he was confident there would be "fully fledged" economic co-operation in the region within two years.

The meeting of the Indian Ocean Region Consultative Business Network in New Delhi in November will be presented with the reports of five working parties set up yesterday to address:

- A charter for a new business organisation.
- Information technology, including telecommunications.
- Customs and trade documentation.
- Non-tariff barriers and impediments to investment.
- Maritime affairs.

The economic working group at the Perth forum also identified two broad agendas to be addressed as part of the process of encouraging greater economic ties in the region.

The first involved business facilitation and included the regulatory environment, currency convertibility, trade promotion and a regional business directory.

The second broad agenda included technology transfer, transport, telecommunications and human resource development.

Mr. Dawkins said other options canvassed at the forum included the possibility of an Eminent Persons Group to consult widely in the region and make recommendations on options for regional co-operation.

The Federal Government had been confident that the establishment of an IOECC could have led to a substantial increase in Australia's $17 billion in annual trade with countries in the region.

The new group would have also broadened Australia's international trade interest beyond the region covered by the Asia-Pacific Economic Co-operation (APEC) forum, which has been the Federal Government's key foreign economic focus in recent years.

The IOECC, which would have been made up of representatives from government, industry, and academia, has been largely modelled on the Pacific Economic Cooperation Council (PECC), which was set up in 1980 and which generated many of the ideas subsequently taken up by APEC.

But the IOECC, while it formed the basis of the Federal Government's new "Looking West" strategy, was never expected to reach the same level of economic importance as the APEC forum.

Australia's trade with the 29 countries on the rim of the Indian Ocean represented about 18.4 per cent of total trade in 1994, compared with close to 75 per cent for the Asia Pacific region.

Intra-regional trade represents about 20 per cent of total trade for the Indian Ocean region, as opposed to around 66 per cent for the countries in the Asia-Pacific region.

The Asia-Pacific region had a collective GDP of $13.5 trillion in 1993 and accounted for half the world's production and 40 per cent of its exports.

But the total GDP of the Indian Ocean region in the same period was $1.48 trillion.

'Major Setback' To 'Looking West' Strategy

BK0507160195 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 14 Jun 95 p 3

[Report by Michael Dwyer and Greg Earl]

[FBIS Transcribed Text] Australia has failed in efforts to encourage greater economic ties in the Indian Ocean region by moving down a path similar to that which led to the Asia Pacific Economic Co-operation [APEC] forum.

A meeting of representatives of 23 Indian Ocean [countries] yesterday refused to endorse an Australian proposal to establish a new Indian Ocean Economic Cooperation Council (IOECC), opting instead to set up two low-level groups to encourage business and academic ties.

The move represents a major setback to the ambitious plans of the Federal Government to consolidate its recently announced "Looking West" trade strategy along the lines of the initiatives in the Asia Pacific that led to the creation of APEC.

The failure of the IOECC initiative appears to have resulted from a range of concerns from different Indian Ocean countries, with South Africa concerned about the role of security issues and India worried about the inclusion of Pakistan.

The Minister for Foreign Affairs, Senator Evans, was last night playing down the defeat, arguing that a tripartite body along the lines of the proposed IOECC could still emerge at a meeting of business and academic groups in New Delhi in November.

But a senior Indian diplomat, Mrs Lakshmi Puri, expressed caution about expanding the agenda of the business and academic meetings to include any proposal for a body along the lines of the IOECC.

Senator Evans also rejected claims that security issues should not have been placed on the agenda of the Perth meeting, claiming that such an omission would have been "entirely artificial".

Both India and South Africa had raised concerns about the inclusion of security issues on the forum agenda.

Instead of proceeding with the IOECC, Australia is now pushing for countries in the Indian Ocean region to broaden the formal inter-governmental framework for cooperation which was laid down at a meeting hosted by Mauritius earlier this year. But there are already concerns that India will remain unwilling to broaden this "Mauritius process beyond its present membership, and could oppose moves to include Pakistan in any future dialogue. [quotation marks as published]

There are also considerable problems to be addressed over the manner in which the "Mauritius process" would be broadened, as no mechanism is in place for new membership.

Yet while Australia's bid to immediately set up the IOECC has fallen through, business representatives made significant progress toward improving ties in the Indian Ocean region.

A new Indian Ocean Region Business Consultative Network, under the interim chairmanship of the Australian Chamber of Commerce and Industry, will hold its first meeting in New Delhi in November.

The Shadow Minister for Foreign Affairs, Mr Downer, last night criticised the Federal Government's plans to enhance economic co-operation in the Indian Ocean region as "dramatically overambitious".

"There is no doubt that the Labor Government has neglected India and other key nations of the Indian Ocean region in the past," Mr Downer said.

"The first step, though, must be to develop trust at the multilateral level and sound relations at the bilateral level rather than to cajole nations into discussions about issues which at present are simply likely to divide.

"It is clear that the attempts by [Senator Evans] to impose his own security agenda on an as yet fragile process have not been appreciated by the other nations of the region and may ultimately prove to be counterproductive in the search for a more permanent forum for Indian Ocean dialogue and co-operation."

YWCA Conference To Draft Women's Agenda

SK0307104195 Seoul YONHAP in English
0842 GMT 3 Jul 95

[FBIS Transcribed Text] Seoul, July 3 (YONHAP) — The president of the Korea YWCA, Kim Kap-hyon, (IWS) [expansion unknown] welcomed over 900 participants from 92 countries to the international women's summit, calling on them to address the growing problems of gender inequality that afflict women around the world.

"We must acknowledge that these unstable and unjust elements are all attributable to the irrational global economic order and the decision-making processes," Kim decried. "I regret to emphasize this but we women, who make up half the human race, have been and still are the major victims of those injustices."

The three-day summit will hold 24 workshops, in the form of hearings, case studies and presentations, which will focus on women's roles in three major themes: global economy, global decision making and global justice. Topics to be discussed include "The United Nations - 50 Years," the "Impact of New Technologies on the Global Economy," and "The Role of the Nation State."

The main goals of the IWS is to create and adopt an action plan, called the world women's agenda, that will "address the pressing needs of women, and to devise strategies for its implementation."

IWS is held under the auspices of the world Young Women's Christian Association (YWCA), which is also sponsoring the following YWCA world council, to be held from July 7-13.

This year marks the centennial of the world YWCA, which has over 25 million members worldwide. The Korea YWCA, which was established in 1922, boasts 3 million members.

Japan

MITI Official on U.S. Strategy in Film Row

OW0507172095 Tokyo YOMIURI SHIMBUN in Japanese 5 Jul 95 Morning Edition p 6

[FBIS Translated Text] In connection with the decision by the Office of the U.S. Trade Representative to begin investigating the Japanese photographic film market under Section 301 of the U.S. Trade Law of 1974, a top official at the Ministry of International Trade and Industry [MITI] pointed out on 4 July that the United States may make a major issue out of the Japanese business practice of keiretsu dealings as a symbol of the closed nature of the Japanese market. He indicated that in that case, international sentiments may side with U.S. assertions, unlike the case of the trade negotiations over the auto and auto parts sector. The official expressed his view, saying: "We may face more difficulties in comparison with previous trade negotiations."

Moreover, the MITI official indicated that it will be necessary to study new ways of conducting trade negotiations.

MITI Hints at Readiness To Use Fuji Report

OW0507145095 Tokyo KYODO in English 1359 GMT 5 Jul 95

[FBIS Transcribed Text] Fukuoka, July 5 KYODO — Japan may use a document being compiled by Fuji Photo Film Co. to refute allegations by Eastman Kodak Co. that the maker and the Trade Ministry conspired to shut out Kodak films from many sales outlets, a senior trade official said Wednesday [5 July].

Tomio Tsutsumi, vice minister of the Ministry of International Trade and Industry (MITI), told a news conference, "It is possible we will use the document during talks with the United States," but added that the government has not made up its mind whether to do so.

He was speaking about a possible Japanese response to a decision by the U.S. Trade Representative Office to launch a probe into alleged exclusionary arrangements between Fuji and four major Japanese wholesalers of photographic film and paper that handle some 70 percent of these goods.

Tsutsumi reiterated the ministry's vow "not to hold negotiations under (the threat of) Section 301 of the (1974) U.S. Trade Act," suggesting Japan might use the Fuji document if the U.S. agrees to hold talks that are not based on Section 301.

Eastman Kodak itself had a Washington-based law firm, Dewey Ballantine, prepare a 250-page report, in which it listed the alleged exclusionary practices by Fuji and the distributors.

"Will the United States be able to assert that normal competition is not taking place in Tokyo, where competition is under way and film rolls carry the lowest prices in the world?" he asked.

"We will hear explanations in details" from related parties, he said.

Kodak has alleged that Fuji and the four distributors of photo materials have engaged since the 1970s in such anticompetitive practices as retail price fixing, retaliation against disobedient retailers and rebate payments from makers to retailers.

'High-Level' Aviation Talks With U.S. Resume

OW0507143795 Tokyo KYODO in English 1403 GMT 5 Jul 95

[FBIS Transcribed Text] Washington, July 5 KYODO — Japan and the United States resumed high-level talks on civil aviation for three days here Wednesday [5 July] in a bid to resolve their dispute.

The resumed talks came after U.S. Secretary of State Warren Christopher and Japan's Foreign Minister Yohei Kono agreed on the telephone last week that senior officials would meet to defuse the dispute as soon as possible by carrying on the momentum of the resolved auto trade negotiations.

The two nations managed last week to solve the two-year auto trade talks just before a U.S. deadline for imposing sanctions, but in another area of possible major trade friction Washington decided Monday to begin investigating Japan's consumer photographic film and paper market in line with a petition filed by Eastman Kodak Co.

The aviation issue has also seen lengthy bickering over air cargo routes, with the two nations recently threatening each other with retaliatory actions.

After a recent round of failed consultations, U.S. Transportation Secretary Federico Pena proposed June 21 that it would bar two Japanese airlines from carrying cargo from five Asian countries via Japan to the United States. A final determination on imposing these sanctions is to be made by July 14.

The proposed U.S. sanctions target Japan Airlines and Nippon Cargo Airlines, stopping their cargo hauls from Hong Kong, Taiwan, Indonesia, Singapore and Thailand.

Responding quickly, Japanese Transport Minister Shizuka Kamei indicated his intention to impose retaliatory measures by saying, "Japan will have no choice but to take appropriate steps."

Japanese sources said that Tokyo intends to bar all U.S. cargo flights to other Asian countries via Narita Airport east of Tokyo.

The aviation talks stalled after Japan continued to reject U.S. calls to allow Federal Express Corp. to fly via Tokyo to its hub airport in the Philippines for the Asian region, in accordance with "beyond rights" held by U.S. airlines under a 1952 bilateral aviation treaty.

Tokyo has been demanding renegotiation of the treaty, which it considers to be balanced in favor of the U.S.

Reiterating Japan's objection to U.S. retaliatory threats, Transport Ministry adviser Masahide Ochi, who heads the Japanese delegation, said, "we intend to first say that we're not inclined to hold negotiations after being first pressured by sanctions."

"How they respond to this will change the direction of the talks," Ochi told reporters before entering the State Department.

Asked if Japan is ready to make a new offer, Ochi said, "it all depends on the progress of the talks after reviewing both sides' positions so far."

In Tokyo, a Transport Ministry source said earlier that Japan may offer the concession of abolishing a cargo volume-related restriction on Asia-bound U.S. cargo flights loading additional cargo in Japan to resolve the row.

Thailand Offers To Carry Cargo for Airlines

OW0507133695 Tokyo KYODO in English
1208 GMT 5 Jul 95

[FBIS Transcribed Text] Tokyo, July 5 KYODO — Thailand has offered to transport transPacific cargo on behalf of Japanese airlines to circumvent possible U.S. sanctions over an aviation dispute, Transport Ministry officials disclosed Wednesday [5 July].

The officials said the overture was made by Thai aviation officials who visited the Transport Ministry last week.

The Thai officials were quoted as saying Thai airlines will be ready to transport air cargo bound for the United States aboard aircraft leased from Japan Airlines and Nippon Cargo Airlines.

The ministry officials expressed gratitude for the Thai offer but said concrete measures would be decided between the Japanese and Thai airlines concerned.

The United States has threatened to impose sanctions on Japanese airlines, barring them from carrying cargo from Asian countries to U.S. destinations unless Japan allows U.S. Federal Express to inaugurate new cargo transport routes to seven Asian destinations via Japan.

Japan warned it will retaliate with similar restrictions on U.S. airlines.

The Japanese officials said the U.S. sanctions would cost Nippon Cargo Airlines an estimated 4 billion yen. Washington says it will impose the sanctions in mid-July when the procedure to hear public opinions is to be completed.

They said Thailand scrapped its civil aviation pact with the United States in November 1990 over an air dispute between the two countries.

JAL Responds to U.S. Threatened Sanctions

OW0607132395 Tokyo KYODO in English
1306 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — Japan Airlines (JAL) will soon hand U.S. aviation authorities a list of arguments in response to Washington's threatened sanctions against Japanese carriers, the head of the largest Japanese airline said Thursday.

JAL President Akira Kondo told a news conference that the company will submit the list Friday in response to a request from Washington.

The U.S. Transportation Department had sought opinions from the parties involved as a legal and preliminary requirement before sanctions can be imposed.

In the document, Kondo said, JAL raps the United States for waving the threat of sanctions while negotiations are still under way.

The sanctions would ban JAL and Nippon Cargo Airlines from transporting loads taken on in Hong Kong, Indonesia, Singapore, Taiwan and Thailand to the U.S. via Japan.

He said JAL backs the current Japanese restriction on Asia-bound U.S. cargo flights loading additional cargo in Japan.

The rule requires that the volume of additional cargo a U.S. plane loads at Japanese airports not exceed 50 percent of the total volume of cargo it may transport from Japan to Asian destinations.

The requirement has ensured that the volume of cargo on a U.S. carrier from Japan to Asian destinations not exceed that between the U.S. and Japan, placing a burden on U.S. carriers seeking to profit from their Asian routes beyond Japan.

If Washington presses ahead with sanctions, JAL would support Tokyo's proposed countermeasures against U.S. carriers, Kondo quoted the document as saying.

The U.S. Transportation Department is to hand down a final decision on sanctions after July 14, the expiration date for replies from parties concerned.

Japan suggested earlier it would retaliate by barring all U.S. cargo flights to other Asian countries via Narita Airport, east of Tokyo.

The U.S. threats follow a stalemate in an aviation row over a U.S. request for Japan to allow the U.S. cargo carrier Federal Express Corp. to fly via Tokyo to Asian destinations under the "beyond rights" provision in a 1952 bilateral pact.

Nagasaki Mayor Backs Port Calls by U.S. Navy

OW0507144995 Tokyo KYODO in English 1212 GMT 5 Jul 95

[FBIS Transcribed Text] Nagasaki, July 5 KYODO — Nagasaki Mayor Itcho Ito voiced support Wednesday [5 July] for port calls by U.S. military vessels, clearly distancing himself from the policy of his predecessors.

Ito defended his stance, saying, "The United States has said that it has withdrawn all tactical nuclear weapons from its military vessels. I don't think we're betraying our pacifist policies."

Ito, who was elected mayor of the atom-bombed western Japan city in April, made the remark during a city assembly session.

Four antinuclear groups had filed a petition with the mayor earlier in the day urging him to exert pressure on the prefectural port administration to ban military vessels from all five declared nuclear powers — Britain, China, France, Russia and the U.S. — from entering Nagasaki port.

The groups argued that port calls by such vessels "run counter to the sentiment of the residents of this A-bombed city, since suspicion remains that the vessels are carrying nuclear warheads."

But pointing to then U.S. President George Bush's announcement in July 1992 that all tactical nuclear weapons had been removed from U.S. military vessels, Ito said, "I believe that U.S. naval vessels are not carrying any nukes."

He suggested that during port calls, crew members could be presented with materials on the U.S. atomic raid on Nagasaki in August 1945 "to deepen the appreciation of peace."

In 1974, then Nagasaki Mayor Yoshitake Morotani voiced opposition to port calls by nuclear-capable vessels.

His successor Hitoshi Motoshima initially advocated admitting vessels that were not carrying nuclear warheads, but then retreated from that position.

He stuck to his later policy even after Bush's no-nuke announcement on the grounds that port calls by military vessels from nuclear powers "are not appropriate in a city that has been A-bombed."

Military port calls have nonetheless taken place since the Nagasaki Prefectural Government, which exercises authority over the port, has not banned such vessels from entering.

Hiroshima Mayor Departs for U.S. Exhibition

OW0607105295 Tokyo KYODO in English 0844 GMT 6 Jul 95

[FBIS Transcribed Text] Hiroshima, July 6 KYODO — Hiroshima Mayor Takashi Hiraoka departed Thursday [6 July] for the United States to attend the Saturday opening of an exhibition in Washington on atomic weapons.

Hiraoka will be joined by two victims of the atomic bombing Aug. 6, 1945 of Hiroshima and city officials for the opening of the exhibition at American University.

Before departing Thursday, Hiraoka said "I will not criticize the U.S. or ask for an apology. I want to talk about the human tragedy that has been brought about by nuclear weapons."

Hiroshima and Nagasaki, the only cities subjected to atomic bombings, have contributed 215 items to the exhibition.

American University decided to hold its own exhibition after the Smithsonian Institution scaled down a controversial display that critics said did not fairly portray the role of atomic weapons in ending World War II.

Hiraoka is scheduled to address a July 9 forum at American University on Hiroshima's wish for a nuclear-free world.

Hiraoka's plans also include speeches at Boston's Tufts University on July 12 and at Saint John's Cathedral in New York on July 13.

More on Tokyo-Pretoria Joint Communique on Ties

OW0507154595 Tokyo KYODO in English
1159 GMT 5 Jul 95

[FBIS Transcribed Text] Tokyo, July 5 KYODO — South African President Nelson Mandela and Japanese Prime Minister Tomiichi Murayama issued a joint communique Wednesday [5 July] on enhancing cooperation between Japan and Africa toward the 21st century.

The communique, outlining the contents of talks between Murayama and Mandela that took place earlier in the day, said the two leaders welcomed the deepening ties between Japan and South Africa and stressed the need to further develop bilateral relations.

Murayama pledged Tokyo's support for Pretoria's consistent efforts at nation-building through the implementation of a 1.3 billion dollar financial aid package announced last year, the communique said.

Mandela called the Japanese aid package as an "effective measure to tackle South Africa's biggest challenges, namely, addressing the domestic discrepancy in income distribution and attaining economic development," it said.

Turning to Africa, the two leaders welcomed the trend in the continent toward democratization, national reconciliation and steady nation-building, it said.

Murayama gave high marks to South Africa's contributions, together with neighboring countries, to solving regional conflicts such as those in Angola, Mozambique and Lesotho, the communique said, while Mandela voiced expectations that Japan will continue to contribute to the stability of Africa.

On the international front, the communique said Murayama and Mandela discussed global issues including the reform of the United Nations and "recognized the need for strengthening of the Security Council by expanding its membership."

The two leaders welcomed the indefinite extension of the nuclear Nonproliferation Treaty (NPT) but they voiced "concern about nuclear tests by some nuclear states while the international community is struggling to conclude the Comprehensive Nuclear Test-Ban Treaty no later than 1996."

Since the treaty's indefinite extension was decided during an international conference beginning in April, China has conducted an underground nuclear test, while France has also announced its intention to resume testing from September.

Mandela began his five-day official visit to Japan on Sunday. The trip is his third to Japan but first since being elected president in multiracial elections in May 1994.

Contract Signed for PRC Portable Phone Venture

OW0307121995 Tokyo KYODO in English
1125 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — NTT International Corp. said Monday [3 July] it will launch two portable phone service ventures in China to pave the way for expansion into long-distance and intracity operations in the future.

The company, which engages in international operations for Japan's telecom giant Nippon Telegraph and Telephone Corp., said a contract was signed for a joint venture in Jiangsu Province.

A similar contract is scheduled to be signed July 18 for a project in Zhejiang Province, the company said.

The company said Jiangsu Zhongying Telecom Engineering Co., headquartered in Nanjing, will be capitalized at $3 million of which NTT international will put up 40 percent.

Zhejiang NTT Telecom Engineering Co. based in Hangzhou, Zhejiang Province, will be capitalized at $2 million of which 45 percent will be contributed by NTT international, the company said.

In Jiangsu Province with a population of 69 million, only 219,000 telephones are in operation, an ownership ratio of 1.5 percent.

The company said 153,000 telephones are in operation in Zhejiang Province with a 42 million population, an ownership ratio of 1.8 percent.

Both companies will be incorporated in August, the company said.

Shinshinto Plans To Send Delegation to Taiwan

OW2906102395 Tokyo KYODO in English
0839 GMT 29 Jun 95

[FBIS Transcribed Text] Tokyo, June 29 KYODO — The main opposition Shinshinto (New Frontier Party) has launched preparations to send a delegation to Taiwan in late August, party sources said Thursday [29 June].

The party politicians aim at a frank exchange of opinions with President Li Teng-hui and other Taiwanese politicians, the sources said.

They will also brief them on the results of a recent visit to China by Shinshinto head and former Prime

Minister Toshiki Kaifu, who had talks with President Jiang Zemin and other Chinese leaders.

In the talks Kaifu reportedly discussed the possibility of Taipei officials visiting Japan. China, which regards Taiwan as a renegade province, insists that Japan-Taiwan relations remain strictly cultural and economic.

However, Shinshinto members are among the most vocal supporters of closer political ties with the island.

On Tuesday, a 97-member group within the party called on Foreign Minister Yohei Kono to allow the Taiwan president to attend a summit of the Asia-Pacific Economic Cooperation (APEC) forum in Osaka in November.

The sources said the party has not formally decided on the Taiwan trip yet, but consultations with Taiwan are under way.

One senior party member in charge of foreign affairs, however, expressed confidence that the visit will materialize, saying, "it's indispensable that politicians go abroad more often from now to freely exchange views (with other politicians)."

Tokyo Pledges 131.6 Billion Yen in Aid to India

OW2906133295 Tokyo KYODO in English
1321 GMT 29 Jun 95

[FBIS Transcribed Text] Tokyo, June 29 KYODO — Japan pledged Thursday [29 June] to provide loans and a grant worth a total 131.6 billion yen to India in fiscal 1995, ending next March 31, goverment officials said.

The pledge came at a forum in Paris sponsored by the World Bank, they said.

The aid consists of yen-denominated loans worth a total 131.4 billion yen for 10 Indian projects for improving social infrastructures, building waterworks and installing hydroelectric power plants, as well as a 190 million yen grant for development research, the officials said.

Cabinet Authorizes Emergency Assistance to Sudan

OW0407023995 Tokyo KYODO in English
0157 GMT 4 Jul 95

[FBIS Transcribed Text] Tokyo, July 4 KYODO — Japan decided Tuesday [4 July] to extend 3.2 million dollars in emergency assistance to Sudan where a civil war and drought have brought about a food shortage, government officials said.

Of the aid, authorized at the day's cabinet meeting, 2.5 million dollars will be given through the World Food Program to cover costs of transporting cereals, and 700,000 dollars through the UN Children's Fund (UNICEF) to transport crackers that will be stored there.

Japan has basically suspended development assistance to the African nation, and only extended emergency and humanitarian aid since October 1992 when the Sudan military intensified attacks on antigovernment forces in the southern part of the country and killed a number of residents.

Accord Signed on Providing Loan to Lithuania

OW0307114995 Tokyo KYODO in English
0951 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — The government-backed Export-Import Bank of Japan signed an agreement Monday [3 July] to provide a loan of 4,245 million yen to the Lithuanian Government, bank officials said.

This is the second loan offered by the bank to the former Soviet republic since June 1993.

It will be used to finance Lithuanian projects to expand telecommunications and transport networks, the officials said.

Tokyo Draft Action Program for APEC Reported

OW0607103895 Tokyo MAINICHI SHIMBUN
in Japanese 1 Jul 95 Morning Edition p 11

[FBIS Translated Text] The following is a summary of the draft action program worked out by Japan as a host nation, to be adopted at the Osaka conference of the Asia-Pacific Economic Cooperation [APEC] forum.

General Principles

1) All sectors pertaining to trade and investment are subject to the action program.

2) APEC will handle coordination of the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO).

3) The results of nondiscriminatory liberalization of trade and investment at home and abroad will go to non-APEC member nations.

4) No APEC member will take measures to raise the present level of standard deals and protectionism.

5) All APEC members will promote economic and technical cooperation.

6) Consideration will be given to balanced progress in liberalization of trade and investment.

7) Liberalization of trade and investment will start simultaneously and continue smoothly. The liberalization

of trade and investment will make substantial contributions.

8) Consideration will be given to diverse economic fields among APEC members and to different conditions among them. Flexibility will be exercised, to allow the different processes taken by APEC members to smooth the process of liberalizing trade and investment.

Actions in Specific Sectors

1) APEC will work to abolish or cut tariffs in the region and to set guidelines for cooperative and independent actions. Each APEC member will set a deadline for liberalizing its trade and investment. To maximize benefits from liberalizing trade and investment, consideration will be given to industries that have growth potential and to trade trends in the APEC region. A tariff information network will be set up.

2) The treatment of domestic industries and the preferential treatment of foreign industries will be established in the service sector. Standards and certification will be mutually recognized in the transport sector. Inspection standards for the energy sector will be surveyed.

3) Regulations of investment will be minimized. APEC's principles for investment will be sophisticated, strong, and transparent. Dialogue among private sectors in the APEC region will be promoted.

4) Current standards and certification will be made compatible with international standards and certification. APEC members will cooperate closely in developing technological infrastructure.

5) APEC members will provide technical assistance to developing countries to help them improve their current tariff-clearance processes.

6) An expert committee on intellectual copyrights will be set up within APEC.

7) Transparency of competition policies will be increased, and a system will be created to enhance cooperation among government organizations in charge of handling competition policies.

8) As for government procurement and independent action, efforts will be made to make them compatible with the WTO's rules. Each APEC member will be asked to submit its plans for the government procurement through competition, including the period of preparation for it. Current government procurement systems and problems involving them will be surveyed. A database of information about government procurement will be developed.

9) Unnecessary regulations will be abolished, and current regulation systems will be made public. Each APEC member will be urged to take initiative in relaxing its regulations in line with the action program and formulating an annual report on them. A survey will be conducted on possible APEC formulation of guidelines for relaxing regulations.

10) A consensus on the principle of country of origin will be reached, and international harmonization of the principle will be confirmed.

11) APEC will aim to provide mediate trade disputes and create a framework to supplement the WTO. APEC will examine ways to create a rescue desk and to set up an ombudsmen system. APEC also will examine the possibility of putting itself in charge of consulting, arbitrating, arranging and mediating.

Framework for the Smooth Liberalization of Trade and Investment

1) Each APEC member will be asked to present its own action program at APEC ministerial talks scheduled to be held in the Philippines. Each APEC member will be urged to formulate its own action program to be carried out by 2010 and 2020 [for developed and developing countries] respectively.

2) The action program will be put into effect in January 1997 and completed by 2010 and 2020 [for developed and developing countries] respectively.

3) Each APEC member will discuss the action program from the time of the APEC ministerial talks in Manila to the time of the ministerial talks in Canada. In the process of discussion, the action program will be revised properly.

Leading Role for Multilateral Approach

1) Agreements reached in the Uruguay Round will be implemented ahead of schedule and their applications expanded. By 2000, all APEC members will accept a WTO agreement on government procurements. All APEC members will seek progress in liberalization of the service sector by using the framework of the WTO.

2) To move toward a new round, all APEC members will work to maintain and expand the current trend of liberalizing trade and investment that is taking place throughout the world.

Conditions for Economic and Technical Cooperation

1) In a bid to implement common policies, APEC members will edit data and share it while undertaking surveys and research.

Cooperation in Special Fields

APEC members will cooperate with each other in special fields, including development of human resources, industrial science and technology, economic infrastructure, energy, transportation, telecommunications and information, and marine resources.

War-End Ceremony During APEC Meeting Opposed

OW0607080795 Tokyo KYODO in English 0737 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — The Foreign Ministry opposes holding a special ceremony to commemorate the 50th anniversary of the end of World War II when the Asia-Pacific Economic Cooperation (APEC) forum convenes in Osaka in November, a top ministry official said Thursday [6 July].

The official, who spoke on condition of anonymity, said the ministry "does not think it appropriate" to hold the ceremony when APEC leaders meet for their informal summit.

"APEC is an international forum to discuss economic cooperation in the Asia-Pacific region, so it is not appropriate to bring political matters into it," the official said.

Also, if the ceremony were held then, leaders from some of the 18 members that have no relationship to the 50th anniversary may decide differently about attending the summit, the official said.

The government said Tuesday it has decided to postpone the ceremony, originally scheduled for Aug. 15, due to continued squabbling among the ruling coalition parties over its date and substance.

Chief Cabinet Secretary Kozo Igarashi said the government will set a new date after the three coalition parties have agreed unanimously.

Prime Minister Tomiichi Murayama had expressed hope that the ceremony would be held on Aug. 15, the date of Japan's surrender to the allied nations in 1945.

War Commemoration Ceremony Held on Iwojima 6 Jul

OW0607062895 Tokyo KYODO in English 0612 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — Members of about 100 families of the Japanese victims of fierce fighting between Japan and the United States in February-March 1945 on Iwojima attended a commemoration ceremony Thursday [6 July] on the volcanic Pacific island.

Roughly 27,000 Japanese and American soldiers were killed in the battle for the island, the site of a Japanese air base during World War II, and the bones of over 10,000 combatants are still buried there.

The ceremony, which has been held every year since 1983, is sponsored by the Tokyo Metropolitan Government. The island falls under the metropolitan government's administrative area.

This year, the 50th anniversary of the end of the war, about 20 more bereaved families than usual attended the ceremony, held on a hill at the center of the island facing Mt. Suribachi. The mountain was made famous by a photograph showing U.S. Marines raising the American flag at its summit.

Masami Higaki, vice governor of Tokyo, read out a message from Gov. Yukio Aoshima, saying "we have to hand down the stories about the war to the next generation in this commemorative year of the 50th anniversary."

Aoshima could not attend the ceremony because he is on a trip to Europe and the U.S. to explain his decision to cancel an international exposition for Tokyo.

On behalf of the bereaved families, Taro Kuribayashi, the eldest son of Tadamichi Kuribayashi, an admiral of the Imperial Navy and commander-in-chief of troops in the area, delivered a speech, saying wars should be avoided at all costs.

Foreign Ministry: Tokyo Remains Top ODA Donor

OW2806172595 Tokyo KYODO in English 1707 GMT 28 Jun 95

[FBIS Transcribed Text] Tokyo, June 29 KYODO — Japan remained the world's top donor of official development assistance (oda) for the fourth consecutive year in 1994, disbursing a total of $13.24 billion, Foreign Ministry officials said Thursday [29 June].

The officials said Japan remained the largest aid donor among the 21 members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development, through increasing its aid by 17.6 percent from the previous year to $11.26 billion last year.

The United States was second, disbursing $9.85 billion, followed by France with $8.45 billion, the officials said.

The total amount of ODA given by the DAC member countries was $57.75 billion, up 2.4 percent from the previous year.

The slight growth in the total amount of economic aid was due to Japan's increase of its ODA, the officials said, noting that without it, the total amount would have marked a 1.4 percent decrease from the previous year.

Japan was among the 14 countries which increased or maintained the 1993 level of their ODA, while seven countries, including the U.S. And Italy, cut their aid, the officials said, indicating that the phenomenon known as "aid fatigue" continues among aid donors.

The officials said Japan places importance on economic aid to developing countries and that it wants to work to expand the amount of its ODA and to improve its quality.

MOFA Reports Failed ODA-Funded Projects

OW3006094495 Tokyo KYODO in English
0845 GMT 30 Jun 95

[FBIS Transcribed Text] Tokyo, June 30 KYODO — The Ministry of Foreign Affairs [MOFA] releasing an annual report on Japan's Official Development Assistance (ODA) on Friday [30 June], listed failed ODA-funded projects overseas for the first time.

It was the first time in 13 years that such projects were mentioned in an annual report on governmental aid to developing countries.

The report said a total 128 ODA-funded projects overseas were investigated in fiscal 1994, which ended last March 31, and three of them were not successful.

The projects were plans for expanding transport capacity for farming in Mali, western Africa, for supplying electric power to remote areas in Nepal and for building irrigation works in Thailand, the report said.

It said 98 projects were successful and 27 others were partially successful.

Contractors Urged To Increase Overseas Activity

OW2906134095 Tokyo KYODO in English
1055 GMT 29 Jun 95

[FBIS Transcribed Text] Tokyo, June 29 KYODO — The Construction Ministry on Thursday [29 June] released a report calling for Japanese contractors and construction advisers to increase activities overseas, especially in Asia, while contributing to the development of their local counterparts.

Contractors and advisory firms, which play important roles in Japan's Official Development Assistance (ODA), should diversify the procurement of materials and equipment and utilize local personnel more effectively, the report said.

Those steps will help the companies rationalize their operations and become more cost-competitive, the report added.

Japanese contractors are relatively inactive overseas due to large construction investment in the domestic market, according to ministry officials.

In 1993, for example, overseas orders won by five of Japan's major Japanese contractors accounted for an average 7.2 percent of their total orders received, compared with 53.4 percent for their U.S. and European counterparts.

The report referred to the Asian construction market in light of its rapid growth to $51.4 billion in 1993, a two-and-a-half-fold increase over its 1988 level, the officials said.

Plutonium Fuel Brought to Fast-Breeder Reactor

OW0407062695 Tokyo KYODO in English
0457 GMT 4 Jul 95

[FBIS Transcribed Text] Fukui, Japan, July 4 KYODO — Mixed oxide fuel for Japan's prototype fast-breeder reactor Monju was brought to the plant of the operator in Tsuruga, Fukui Prefecture, early Tuesday morning [4 July].

Twenty-four canisters of a mixture of plutonium oxide and uranium oxide were carried secretly overnight on four large trucks to the plant operated by the governmental Power Reactor and Nuclear Fuel Development Corp. (Donen) from its Tokai plant in Ibaraki Prefecture.

Part of the plutonium that was shipped back to Japan in January 1993 from France, where spent nuclear fuel is reprocessed for Japan, was used in making the mixed oxide fuel.

It is the first fuel shipment to the Monju plant since March last year.

Monju, which reached criticality in April last year, is currently on a test run with a view to starting electricity generation in August.

Although Donen did not announce the transportation schedule or route, antinuclear activists were on hand to hold a protest demonstration.

About 50 antinuclear protesters braved the heavy rain to gather in front of the gate to the Monju plant, carrying a banner saying "stop plutonium transportation," and shouting "make public the transportation data."

Monju has been shut down twice this year due to mechanical problems, according to the operator.

Coalition Parties Agree on New Policy Accord

OW0607105095 Tokyo NIHON KEIZAI SHIMBUN in Japanese 1 Jul 95 Morning Edition p 1

[FBIS Translated Text] The ruling coalition parties formally decided on a new tripartite policy accord at a policy coordination meeting and at a meeting of the General Affairs Committee of their floor group in the Diet on 30 June.

Main items in this accord are: 1) reducing the current account surplus, which stands at 2.5-3 percent of gross domestic product (GDP), to below 2 percent in the three-year period from 1996 to 1998; 2) taking concrete measures to activate public funds to liquidate bad loans of banking institutions in time for the extraordinary Diet session this autumn; 3) issuing a new type of government bonds to replace construction and deficit-covering bonds.

Koichi Kato, chairman of the Liberal Democratic Party's Policy Research Council, and the policymaking officials of the other two ruling parties visited Prime Minister Tomiichi Murayama at his official residence on the afternoon of the same day to ask him to implement the new tripartite agreement. Murayama responded that "basically, the government wants to proceed in that direction."

The ruling parties regard the new tripartite accord as a new policy vision that will replace the "Agreement on the Establishment of a New Coalition Government" issued at the time the administration kicked off in June 1994. The new accord consists of three sections: new major policies on economic pump-priming and other issues, an examination of the progress made in implementing the old tripartite agreement, and issues that need to be addressed later.

The reason the three ruling parties timed the formulation and announcement of the new accord for the first anniversary of the Murayama administration on 30 June is that they want to emphasize the achievements of the administration and the unity of the three parties in anticipation of the upper house elections in July, and to demonstrate their will to hold on to political power.

However, due to the differences in each party's position, the accord limited itself to ambiguous passages — such as "a comprehensive study will be conducted" — on the land taxation system and on measures to reactivate the stock market, which are central issues in economic stimulation.

The Finance Ministry is also expected to object to setting numerical targets for reducing the current account surplus or for issuing new bonds. Considerable obstacles are expected before the policy proposals are actually implemented.

With regard to major policv measures, the following are included: "construction of a new national capital," "continuing with 2 trillion yen worth of special reductions in income and residence taxes in FY96," and "development of venture business through stock market reforms."

The compilation of a plan for organizational and systemic reforms of the Diet before the end of 1995, voting rights for overseas Japanese citizens, passage of reform bills, amending the law on public funding for political parties, and reinforcing the functions of the Prime Minister's Official Residence are listed as issues that need to be addressed hereafter.

Prosecutors Suit Demands Invalidation of Election

OW0307122895 Tokyo KYODO in English 1157 GMT 3 Jul 95

[FBIS Transcribed Text] Sendai, July 3 KYODO — Prosecutors Monday filed a suit with the Sendai high court demanding the election of two prefectural assembly members be invalidated because of their election campaigners' illegal acts.

The action is the first of its kind against successful election candidates under tightened rules on the guilty-by-association system stipulated in the revised election law.

The Sendai High Public Prosecutors Office also demanded the Sendai High Court to invalidate the candidacy of Isamu Moriuchi, 57, and Michio Saito, 62, in their electoral districts for five years.

Moriuchi was elected to the Aomori Prefectural Assembly in the April poll, while Saito was elected to the Yamagata Prefectural Assembly.

The suit also takes aim at Jun Matsuda, 51, demanding his candidacy for the Miyagi Prefectural Assembly be banned for five years over his wife's purchasing tactics.

Matsuda failed to win the April election for the Miyagi Prefectural Assembly.

Upper House Election Official Campaign Begins

OW0607105495 Tokyo KYODO in English 1000 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — The July 23 House of Councillors election will elect 126 members, half of the total 252, with 76 being elected from prefectural constituencies and 50 through proportional representation.

Upper house parliamentarians have a six-year term of office, with half their total number elected every three years.

In the constituency elections, voters will write down the name of an individual candidate on the ballot, while they may choose any political party which has registered a list of candidates for the proportional vote.

With the 17-day official campaign starting Thursday [6 July], 567 people filed their candidacies, 386 of whom are running in prefectural constituencies for 76 seats, and the remaining 181 from 23 political parties and groups standing for 50 proportional representation seats.

The 23 parties and groups are the three ruling parties — the Liberal Democratic Party, the Social Democratic Party and New Party Sakigake — and the opposition Shinshinto (New Frontier Party), the Japanese Communist Party and 18 other smaller forces.

One to four seats will be up for election in the 47 prefectural constituencies. Tokyo will elect four, Saitama, Kanagawa, Aichi and Osaka Prefectures three each, while the remaining prefectures will each have one or two.

The Diet last year reallocated constituency seats based on population changes. Increasing by one each were Kanagawa, Saitama, Miyagi and Gifu Prefectures, while Hokkaido lost two and Hyogo and Fukuoka one each.

All people 20 years of age or older of Japanese nationality are eligible to vote, while Japanese citizens aged 30 or over are eligible to run in upper house elections.

Attention 'Centers' on SDP

OW0607030995 Tokyo KYODO in English 0218 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — Campaigning started Thursday [6 July] for the July 23 House of Councillors election, the first national electoral test for the coalition government of Prime Minister Tomiichi Murayama.

The poll is also the first national election since the lower house election in 1993 which led to the end of the postwar reign of the Liberal Democratic Party (LDP).

Half of the 252 seats of the upper house are up for election.

Of the 126 seats at stake, 50 will be decided under the proportional representation system, and the remaining 76 battled over in 47 constituencies, corresponding to the 47 prefectures.

As of 10 A.M., 12 parties had registered with the Central Election Administration Committee a total of 127 candidates for the proportional representation seats, while 250 candidates registered with prefectural election administration committees for the constituencies.

The opposition Shinshinto (New Frontier Party) ran into a problem at the very beginning of the campaign. Since the list of candidates for proportional representation submitted by Shinshinto did not carry the required ranking numbers, its screening was to take some time, officials said.

Shinshinto leaders were trying to placate two candidates who were angry about their low rankings in the list and were threatening to pull out of the election.

Although loss of the upper house would not require a change of government, Murayama could be forced to step down if his Social Democratic Party (SDP) suffers a major defeat in the election.

The SDP has been on a steady skid in popularity in opinion polls, casting a shadow on Murayama's hope of solidifying his political standing with a good election result.

Since the LDP and the SDP, which form the coalition with new party Sakigake [Harbinger], hold 83 uncontested seats between them in the upper house, the chances of the opposition's gaining a majority are slim.

Consequently, the attention of voters and political analysts centers on how the SDP fares in the poll.

The upper house poll is the first national-level election also for Shinshinto, which was formed in a December 1994 merger of nine parties.

With no major issue dominating the poll, voter turnout is expected to be poor and, as in the April unified local elections, floating voters or voters without party affiliation could hold the key, analysts say.

In launching its election campaign, the LDP issued a statement calling for voters' support, saying that the coalition government is handling all issues in a democratic and transparent manner and advancing various reforms.

The SDP in its statement stressed the importance of a good performance by the party in the poll to prevent the return of a conservative government.

Shinshinto called for the toppling of the Murayama government, saying the Japanese economy will fall into a serious crisis if the current government continues.

The Japanese Communist Party criticized all the other main parties for following policy lines similar to the LDP.

Murayama Stresses SDP Importance

OW0607045595 Tokyo KYODO in English 0409 GMT 6 Jul 95

[FBIS Transcribed Excerpt] Tokyo, July 6 KYODO — Prime Minister Tomiichi Murayama stressed Thursday [6 July] the importance of the role of his Social Democratic Party (SDP) in forming a coalition for a "peaceful and safe society" in launching the campaign for the July 23 House of Councillors election.

The upper house poll is the first national electoral test for Murayama's coalition government as well as the first nationwide opportunity for voters' manifestation of their political stances since the general election in 1993, which led to the demise of the long monopoly of power by the Liberal Democratic Party (LDP).

Half of the 252 seats of the upper house are up for election.

Of the 126 seats at stake, 50 will be decided under the proportional representation system, and the remaining 76 battled over in 47 constituencies, corresponding to the 47 prefectures.

Murayama, in his first election speech in front of Shinjuku station, said the "true value" of his three-party coalition will be put to test in the poll.

"The main advantage of a coalition government is that diverse values can find their representations in the coalition partners," he said.

As of noon, 19 parties had registered with the Central Election Administration Committee a total of 176 candidates for the proportional representation seats.

Meanwhile, 371 candidates registered with prefectural election administration committees for the constituencies as of 11 A.M. [passage omitted]

With no major issue dominating the poll, voter turnout is expected to be poor and, as in the April unified local elections, floating voters or voters without party affiliation could hold the key, analysts say.

In launching his election campaign, LDP President and Foreign Minister Yohei Kono pledged to voters that the LDP will invigorate the Japanese economy with correct policies.

Shinshinto [New Frontier Party] head Toshiki Kaifu, former prime minister under the LDP regime, said the conditions surrounding Japan are glum.

"Give us your mandate to blow off the bad atmosphere in society," he said.

Quarrel Delays Shinshinto's List

OW0607134095 Tokyo KYODO in English 1233 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — The largest opposition party Shinshinto (New Frontier Party) failed to announce its list of proportional representation candidates until around 11:30 a.m. Thursday [6 July] because of party members bickering over rankings on the list, party sources said.

The 17-day official campaign for the July 23 election for the House of Councillors started at 8:30 a.m., however, so none of the party's 30 proportional representation candidates could join Shinshinto's morning rallies to launch their campaigns.

Former newscaster Kei Hata, 33, was placed 16th on the list and expressed dissatisfaction, and it took time for Shinshinto officials to persuade her to agree, the sources said.

Kei Inoue, a 75-year-old upper house member from the now defunct Democratic Socialist Party (DSP), refused to run on the Shinshinto ticket shortly before the official campaign began due to dissatisfaction over his ranking, they said.

Some Shinshinto members have complained that the party leadership favored members from the defunct party Komeito when it decided on the rankings, they said.

Media organization polls predict the party will be able to get 15 members elected under proportion representation. Of the members placed first through 15th on the list, seven are from the former Komeito, three each are from the former DSP and the former Shinseito (Japan Renewal Party) and two are from the former Japan New Party (JNP).

Shinshinto was formed last December through the alliance of nine opposition forces, including the DSP, Komeito, Shinseito and the JNP, with the aim of wresting the reins of government from the ruling coalition.

The former Komeito is backed by the lay Buddhist group Soka Gakkai, which is said to be able to mobilize more than six million voters.

Shinshinto leader Toshiki Kaifu told a press conference in Mito, Ibaraki Prefecture, that the complications over the rankings would not affect the elections.

Shinshinto Secretary General Ichiro Ozawa said in an Osaka meeting with local members that his party aims to win more seats than the ruling coalition Liberal

Democratic Party, the largest Japanese party, Shinshinto officials said.

'Test of Public Confidence'

OW0607134595 Tokyo KYODO in English 1328 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — The official 17-day campaign kicked off Thursday [6 July] for the July 23 House of Councillors elections with 567 people filing candidacies to vie for 126 seats, half of the 252-member upper chamber.

The election is widely seen as a test of public confidence in the government of Prime Minister Tomiichi Murayama as it will mark the first Diet polls since the current tripartite coalition government of his Social Democratic Party (SDP), the Liberal Democratic Party (LDP) and New Party Sakigake started in June last year.

The upper house poll is also the first nationwide opportunity for voters to express their political stances since the general election in 1993, which led to the demise of 38 years of conservative LDP rule.

In the morning, Murayama launched the campaign for his SDP in Tokyo's Shinjuku area, saying the party is playing an important role in forming a coalition for a "peaceful and safe society."

He moved on to Yokohama, south of Tokyo, in the evening and told the public that his coalition government will continue with economic pump-priming efforts through early implementation of public construction projects and consideration of a second supplementary budget for fiscal 1995.

LDP President and Foreign Minister Yohei Kono, in launching his party's campaign in Tokyo's Kojimachi area, pledged that the LDP will invigorate the Japanese economy with correct policies.

Although loss of the upper house would not require a change of government, Murayama could be forced to step down if the SDP suffers a major defeat in the election.

The SDP has been on a steady skid in popularity in opinion polls, casting a shadow over Murayama's hope of solidifying his political standing with a good result in the elections.

Since the LDP and the SDP hold 83 uncontested seats between them in the upper house, the chances of the opposition gaining a majority are slim, so the attention of voters and political analysts has consequently centered on how the SDP will fare in the elections.

With no major issue dominating the poll, voter turnout is expected to be light and as in the April unified local elections, floating voters or voters without party affiliation could hold the key, analysts said.

The opposition Shinshinto (New Frontier Party) took until well over 11:30 a.m. to decide on its proportional representation list due to bickering over rankings, and none of the party's 30 proportional representation candidates could join morning rallies.

The elections are also the first national-level contest for Shinshinto, which was launched last December with the alliance of nine noncommunist opposition forces.

Shinshinto head Toshiki Kaifu, a former prime minister under the LDP, said the conditions surrounding Japan are glum. "Give us your mandate to blow off the bad atmosphere in society," he said.

Of the total 567 candidates, 386 are running in prefectural constituencies for 76 seats, and the remaining 181, from 23 political parties and groups, are standing for 50 proportional representation seats.

The 23 parties and groups are the three ruling parties, Shinshinto, the opposition Japanese Communist Party (JCP) and 18 other smaller forces.

Of the candidates, 66 are from the LDP, 40 from the SDP, 15 from Sakigake, 62 from Shinshinto and 72 from the JCP.

Female candidates account for 124, the second largest figure after 146 recorded in the 1989 upper house elections.

The total number of candidates, however, is the smallest since the upper house started the current proportional constituency system in 1983 as the LDP and the SDP reduced their number of candidates from previous polls.

The Home Affairs Ministry said that 97 million people are eligible to cast ballots in the upper house voting.

Opinion Poll: 50 Percent Hope for New Government

OW0607132795 Tokyo ASAHI SHIMBUN in Japanese 3 Jul 95 Morning Edition p 1

[FBIS Translated Text] The 6 July official announcement of the upper house election is drawing near. According to a public opinion poll taken by the ASAHI SHIMBUN, 33 percent of the polled said: "We hope that the coalition government formed jointly by the Liberal Democratic Party [LDP], the Social Democratic Party of Japan [SDPJ], and Sakigake will continue in the future"; whereas 50 percent said: "We hope for a new government." Of those who declined to say specifically which party they supported, 54 percent said: "We hope for a new government." Many of the polled showed no interest in the coming upper house election. Only 37 percent of the respondents said: "We are interested in the coming upper house election," while 59 percent of them said: "We are not interested in the election." As high as 65 percent of the respondents who refused to say which party they supported said: "We are not interested in the election." Many of those polled were found to be very critical of the established political parties. More than half made one of three points: "we have no expectations of their policies"; "the established parties have no consistency"; or "they have no political ideals."

ASAHI SHIMBUN conducted the public opinion poll for two days from 25 to 26 June, through interviews. The poll was taken in two stages to ask voters about their support for political parties. Respondents who answered the question about party affiliation by saying what party they liked were classified as party supporters. Voters who said, "We do not like either party" or refused to name the parties they liked were classified as having no party affiliation.

In the coming upper house election, the voters will be asked to assess the Murayama coalition government. More than 50 percent of the voters who supported the SDPJ and Sakigake hoped for a "continuation" of the Murayama government, whereas only 43 percent of those who supported the LDP hoped for a continuation of the Murayama government. About 41 percent of the voters who supported the LDP hoped for a new government. Thus the voters who backed the LDP were found to have been split in their opinions of the Murayama government. Around 74 percent of the voters who supported the New Frontier Party and 67 percent who supported the Communist Party of Japan said: "We hope for a new government."

Compared to 42 percent of female voters, 58 percent of male voters said: "We hope for a new government." Some 60 percent of the male voters in their 30's to 50's wanted a new government, and nearly 60 percent of office workers and business managers expressed hopes for a new government.

In a public opinion poll taken by the ASAHI SHIMBUN in April 1992 right after the upper house was announced, 50 percent of the polled said: "We are interested in the upcoming upper house election," whereas 45 percent said: "We are not interested in the election." In the latest poll, however, a relatively small number of voters showed interest in the upcoming upper house election. In the April 1992 public opinion poll, 66 percent of the polled said: "We intend to go to the polls to cast our ballots." In the latest poll, however, only 57 percent voiced that intention. In the April 1992 poll, 27 percent of the respondents said: "We have no intention of going to the polls to cast our ballots," whereas 32 percent of the respondents in the latest poll said words to the same effect. Of those who refused to say which party they backed in the poll, 49 percent said: "We will go to polls to cast our ballots, no matter what." If this trend continues, voter turnout in the coming upper house election could fall below the record low turnout of 50.7 percent in the 1992 election.

Asked to comment on the election of Yukio Aoyama as Tokyo governor and of Isamu Yamada as Osaka mayor in recent local elections, 57 percent of the surveyed said: "Their election will have a good effect on Japan's future politics," whereas 29 percent of them said: "Their elections will have an adverse effect on Japan's future politics." Some 67 percent of the respondents said: "We will attach importance to the integrity of individual candidates when we cast ballots in our constituencies," while only 26 percent said: "We will vote by party." Of those surveyed, 74 percent who refused to name their parties said: "We will attach importance to the integrity of individual candidates when we cast ballots."

Asked to comment on problems with the political parties, 21 percent of the polled said: "We have no expectations of their policies," 20 percent said: "The political parties have no consistency," and 13 percent said: "They have no political ideals." The rest said: "The system of money politics continues, the political parties do not live up to their promises, their policy debates are rarely seen, and the parties do what the bureaucracy says."

Asked to cite problems that they hope will be raised in the upcoming upper house election, 45 percent of the surveyed cited "the sharply appreciated yen and measures to spur the economy and increase employment opportunities," while 22 percent cited "improvement in pension and welfare policy."

Coordination Agency New Vice Minister Named

OW3006031595 Tokyo KYODO in English
0216 GMT 30 Jun 95

[FBIS Transcribed Text] Tokyo, June 30 KYODO — The government Friday [30 June] named Tsutomu Sugiura, director general of the Personnel Bureau of the Management and Coordination Agency, as the agency's vice minister, government officials said.

He succeeds Toshimichi Yagi who retired, the officials said.

Yuji Ikenouchi, head of the Director General's Secretariat at the agency, was named as the successor to Sugiura, and Akira Kono, former assistant vice minister in the agency, was appointed to succeed Ikenouchi, the officials said.

New Ad Hoc Decentralization Panel Inaugurated

OW0307121895 Tokyo KYODO in English
1106 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — A new ad hoc panel was inaugurated Monday [3 July] to discuss ways to promote the transfer of administrative functions from the central government to local governmnents, with its chief promising to submit a report next year.

Speaking at a press conference after the panel's first meeting, Ken Moroi stressed the need to make it clear how the decentralization of administrative power will benefit residents so as to win public support for it.

"Without support from the people, there will be no progress in the transfer of administrative power to local governments," said Moroi, vice president of the Japan Federation of Employers Associations (Nikkeiren).

The establishment of the panel is stipulated under a law on promotion of the transfer of administrative authorities to local governments that took effect in May.

Sister of Yamaguchi Questioned Over Scandal

OW2906023395 Tokyo KYODO in English
0141 GMT 29 Jun 95

[FBIS Transcribed Text] Tokyo, June 29 KYODO — Prosecutors have questioned the sister of a former labor minister over shaky loans from one of two scandal-tainted credit unions to a development firm run by one of their former chiefs last year, investigative sources said Thursday [29 June].

Yoshie Yamaguchi, elder sister of former Labor Minister Toshio Yamaguchi, was questioned over real estate her company offered as collateral for loans from Anzen Credit Bank to Akeno Ecotopia, a resort developer linked to Harunori Takahashi, former president of the Tokyo Kyowa Credit Association.

But a title deed on the property, valued at some 1.3 billion yen, was not offered to Anzen Credit, making the collateral fictitious.

Akeno Ecotopia had outstanding loans of some 4.8 billion yen from Anzen Credit as of June 30 last year, according to the Tokyo metropolitan government which supervised the credit unions.

Takahashi and Shinsuke Suzuki, former head of Anzen Credit, were arrested Tuesday on suspicion of breach of trust by making illegal loans from the credit unions to companies run by them.

Of the loans from Anzen Credit to Akeno Ecotopia, some 3.5 billion yen extended between July 1993 and June 1994 are alleged to have been those subject to breach of trust, investigative sources said.

'Sources' Say Ozawa Bought Three Apartments

CW0307030295 Tokyo KYODO in English
0228 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — Ichiro Ozawa, secretary general of the largest opposition party Shinshinto (New Frontier Party), bought three apartments in Tokyo for 375 million yen between last November and January this year, informed sources said Monday [3 July].

Shinshinto officials said Ozawa's support group purchased two of the three apartments last year but apparently registered them in his name.

The transactions last year were not listed in his assets report, which was released Monday, and neither Ozawa nor his aides would comment on the case.

Ozawa's income last year totaled 60.22 million yen, including his salary of 43.68 million yen.

The sources, who are familiar with the transactions, said Ozawa bought a ninth-story apartment in Minato ward's Motoakasaka area for 130 million yen and a sixth-story apartment in Chiyoda ward's Kojimachi district for 105 million yen last November.

The sources also said Ozawa, Shinshinto's de facto leader, also paid 140 million yen for an eighth-story apartment in Minato ward's Akasaka area in January this year.

The Kojimachi apartment has a letter box bearing Ozawa's support group "Rikuzan-kai," suggesting it is used by that group.

The group had an income of nearly 400 million yen in 1993.

Report: Alleged Motive Behind Credit Union Loan

OW0307114895 Tokyo KYODO in English
0929 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — Assets held by a real estate company run by one of the chiefs of two scandal-tainted, failed credit unions have been halved by the crumbling real estate market since 1991, according to an in-house financial report.

This could have been a key factor behind Shinsuke Suzuki, former chief of Anzen Credit Bank, having provided illegal loans to the real estate concern G.R.C. via companies linked to him.

The report, compiled by advisers sent from the Long-Term Credit Bank to a real estate developer run by Harunori Takahashi, former head of Tokyo Kyowa Credit Association, puts the book value of assets held by G.R.C. at some 49 billion yen in 1991.

The market value of such assets has nearly halved since then as they are mostly held in real estate, the report shows.

Takahashi and Suzuki are now in custody on suspicion of breach of trust for providing illegal loans to companies closely linked to them while knowing they could not be collected.

The two credit unions folded due to huge loan defaults, leaving them to be absorbed by a special bank set up to take charge of the bad loans under a controversial bailout plan drawn up by financial authorities.

Aum Leader's Trial Scheduled To Begin 26 Oct

OW0407062895 Tokyo KYODO in English 0429 GMT 4 Jul 95

[FBIS Transcribed Text] Tokyo, July 4 KYODO — The first hearing in the trial for Aum Shinrikyo religious group leader Shoko Asahara has been set for Oct. 26, Tokyo district court officials said Tuesday [4 Jul].

During the hearing, the 40-year-old Asahara, indicted on murder and attempted murder charges for the March 20 nerve gas attack on Tokyo's subway system will enter a plea of either not guilty or guilty.

The trial had been expected to begin later because the case is complicated and involves many suspects and victims, but authorities agreed to expedite preparations to start it Oct. 26, as the court hopes to avoid having the trial last too long.

Attorney Shoji Yokoyama, a member of the Osaka Regional Bar Association, told the court June 9 that Asahara has asked him to represent him in the case.

Judges may advise Asahara to increase the number of defense attorneys, as Yokoyama has said he will defend the case alone, court sources said.

Asahara has been in custody at the Metropolitan Police Department headquarters since his arrrest May 16. Police arrested him again last month for allegedly ordering a former Aum member to kill another cult follower in January last year.

Man Arrested for Apr Yokohama Toxic Gas Case

OW0607105595 Tokyo KYODO in English 0847 GMT 6 Jul 95

[FBIS Transcribed Text] Yokohama, July 6 KYODO — Police arrested Thursday [6 July] a 29-year-old former member of a criminal organization on suspicion of injuring more than 500 people by releasing toxic gas in Yokohama, southwest of Tokyo, in April.

The suspect, Koji Hara, of Yokohama's Nishi Ward, reportedly told police he committed the crime out of anxiety over his personal problems, as he was having trouble in his job and also in a relationship with a woman, police said.

Hara allegedly released a poisonous substance around Yokohama Station, affecting at least 571 people, on April 19.

The incident occurred about one month after the March 20 deadly sarin gas attack on the Tokyo subway, which caused the death of 12 people and injured some 5,500.

Police said Hara seems to have nothing to do with the Aum Shinrikyo cult, allegedly held responsible for the Tokyo attack.

He also told investigators that he used a spray sold for self-protection to commit the crime, police said.

In Yokohama, seven incidents involving offensive smells, including the Yokohama Station case, have been reported in the past four months.

The earliest one occurred on March 5, when 11 passengers on a Keihin (Tokyo-Yokohama) line train complained of pain in their eyes and throats, while the latest one took place Sunday in an underground shopping mall where 20 people suffered similar symptoms.

Police said they will investigate whether Hara was also involved in the six other cases.

Murayama on Funds To Rescue Financial Firms

OW2806035895 Tokyo KYODO in English 0207 GMT 28 Jun 95

[FBIS Transcribed Text] Tokyo, June 28 KYODO — Prime Minister Tomiichi Murayama on Wednesday [28 June] sounded positive over the proposed use of public funds to rescue ailing financial institutions, business leaders said.

They quoted Murayama as saying he would like to examine the possibility of use of the funds with a positive attitude, although he knows there is opposition.

The prime minister made the comments at a meeting with business leaders to exchange opinions over the government's new pump-priming package announced Wednesday.

The business leaders also quoted Murayama as promising to review the ratio of budgetary allocation for public work projects.

Murayama told them, they said, that it is necessary to change Japan's economic structure.

The business leaders, meanwhile, requested the prime minister to push deregulatory steps further, they said.

Interest-Free Funds Urged for 'Problem Loans'

OW0307124995 Tokyo KYODO in English
1220 GMT 3 Jul 95

[FBIS Transcribed Text] Tokyo, July 3 KYODO — An influential business group Monday [3 July] released a report calling for the government to extend interest-free loans from its general account to help financial institutions cope with problem loans.

The Federation of Economic Organizations (Keidanren) said the institutions' bad loans, which are estimated to total more than 40 trillion yen, will weaken the already ailing Japanese economy which is feared to be falling into another recession.

Although the use of public funds can also be provided in the form of the Bank of Japan's special investment and loan or treasury investment and loan funds, the central bank loan will be difficult as it is an emergency step while the use of treasury funds will not be so effective as they must be paid back, Keidanren said.

Accordingly, the use of interest-free funds from the general account will be most effective in bailing out financial institutions, Keidanren said.

Keidanren Chairman Shoichiro Toyoda said the government can cover revenue shortfalls resulting from the use of general-account funds by cutting expenses, raising taxes and issuing bonds.

The Japan Chamber of Commerce and Industry earlier said a public bailout fund should be provided from sources other than the general account as it will impose less of a financial burden on taxpayers and could then win their support.

Economic Planner Acknowledges Fears of Deflation

OW0407052295 Tokyo KYODO in English
0334 GMT 4 Jul 95

[FBIS Transcribed Text] Tokyo, July 4 KYODO — Japan's top economic planner expressed concern Tuesday [4 July] that fears of deflation in the future may turn out to be justified.

Masahiko Komura, director general of the Economic Planning Agency (EPA), said, "concerns of deflation in the future cannot be denied. I am worried that if we don't do something about it, disinflation will turn into deflation."

Komura expressed concern for the "weakness in the Japanese economy as a whole," noting that the agency's recent monthly economic report showed that indicators, such as for housing, were getting worse.

Asked to elaborate on his view of current economic conditions, Komura said this will be made clear in the agency's next monthly report.

Commenting on the fall in Tokyo stock prices the previous day, he said the most important step is to improve the economy. "For this we have to get on with carrying out the specifics of the recent economic package as well as the one announced in April."

Komura also said he hopes the second supplementary budget for fiscal 1995 will be "made as soon as possible and have the best possible content."

Shinozawa Urges Close Watch on Economic Activity

OW0607105695 Tokyo KYODO in English
1005 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — Vice Finance Minister Kyosuke Shinozawa said Thursday [6 July] the monetary authorities need to keep a close watch on developments in the nation's economic activity.

"I would like to say the economy is basically on a recovery path. But a close watch is necessary," Shinozawa said at a news conference.

He said there are both encouraging and discouraging economic statistics, pointing to fairly steady capital spending and private consumption but also to sluggish housing starts and industrial production.

Shinozawa's remarks mark the latest in a slightly pessimistic assessment of the current economic conditions made by government and central bank officials recently.

On Wednesday, Bank of Japan Governor Yasuo Matsushita told a news conference that the recovery is "somewhat stalled at the moment."

Shinozawa welcomed the expected surplus in government revenues for fiscal 1994 which ended March 31, the first in three years.

"It was desirable that we got out of deficit, but at the same time we are feeling constraints on our finances," Shinozawa said.

The ministry said government revenues for fiscal 1994 are expected to show a surplus of 605.7 billion yen over the revised budget outlays after posting shortages for two years in a row.

Shinozawa noted the initial budget for fiscal 1994 was revised downward by 2.85 trillion yen due to an expected fall in tax revenues.

Imported Car Sales Rise for 20th Straight Month

OW0607053695 Tokyo KYODO in English
0313 GMT 6 Jul 95

[FBIS Transcribed Text] Tokyo, July 6 KYODO — Sales of imported cars, trucks and buses in June shot up 30.7 percent from a year earlier to 38,851 vehicles, marking the 20th consecutive month of year-on-year rises, the Japan Automobile Importers Association said Thursday [6 July].

The figure made the accumulated sales of imported vehicles from January to June total 185,637 vehicles, up 34.6 percent from the first half of the previous year, the association said.

In June, passenger car sales increased a strong 37.3 percent to 36,906, with sales of cars with an engine capacity of up to 2000 cc rising 36.8 percent to 10,277, and sales of larger cars growing 37.5 percent to 26,629 vehicles.

Sales of imported trucks, however, fell 31.5 percent to 1,943, while there were only two buses sold compared with four a year earlier.

As for the six-month period, sales in imported passenger cars totaled 173,245, up 38.5 percent, and in trucks 12,384, down 4.0 percent. Sales of buses came to eight compared with 21 in the same period a year earlier.

The association also said sales of vehicles built by overseas subsidiaries of Japanese automakers increased 13.2 percent to 10,114, bringing up the six-month sales to a total of 51,363, a 46.1 percent rise.

Hashimoto Supports Reduction of Corporation Taxes

OW0607052895 Tokyo KYODO in English
0455 GMT 6 Jul 95

[FBIS Transcribed Text] Okayama, Japan, July 6 KYODO — International Trade and Industry Minister Ryutaro Hashimoto said Thursday [6 July] he supports a plan to buoy the economy by lowering corporate taxes in fiscal 1996.

Hashimoto said in a speech in Okayama, western Japan, that the government should consider easing business taxation to motivate entrepreneurs.

As for how to fund such a reduction, Hashimoto said, "we have to consider issuing deficit-covering bonds."

He also said the government should announce as soon as possible that it will continue income tax reduction for salaried workers in fiscal 1996.

Sweeping Reform of Land Registry Offices Urged

OW0407080595 Tokyo KYODO in English
0727 GMT 4 Jul 95

[FBIS Transcribed Text] Tokyo, July 4 KYODO — A council advising the justice minister called Tuesday [4 July] for sweeping reform of the nation's land registry offices by halving them from the current 1,000 and increasing computerization to improve the services they provide.

The Civil Affairs Administrative Council, which assessed the appropriateness of the current number and distribution of the offices, said in a report to Justice Minister Isao Maeda that the rationalization could take more than a decade because of the cooperation required at local levels.

The registry offices serve as legal repositories of documents related to all land transactions and mortgages.

The council's recommendations include in principle the amalgamation of offices with less than 1,500 transactions or inquiries a year, or offices within 30 minutes of a central registry.

The recommendations call for an accompanying upgrading of the services provided in keeping with the diversifying requirements of local populations, including the completion of early computerization of the offices and adequate consideration of the needs of small island communities.

It also called for the introduction of postal services for the sending of certified documents or extracts of documents and the facsimile transmission of requests for documents.

Panel Urges Creation of Public Nursing Insurance

OW0407115695 Tokyo KYODO in English
1054 GMT 4 Jul 95

[FBIS Transcribed Text] Tokyo, July 4 KYODO — A government panel on Tuesday [4 July] called for introduction of a public insurance system to cover nursing care services to cope with a rapidly growing population of the elderly.

The Advisory Council on Social Security handed Prime Minister Tomiichi Murayama a report of recommendations on restructuring current social security systems.

The body strongly supported an idea of the Health and Welfare Ministry to create a public insurance nursing system, saying it would have public support since the service would be available to all who have paid premiums.

The insurance should provide the nursing service, money for the service or a combination of both, it said.

The council said the system should be set up in a way to prevent "unnecessary overuse" and should include a mechanism by which the public can sustain its premiums.

The council criticized the current social security systems of pensions, medical and old-age insurance as filled with gaps in terms of regions, type of work and gender that have an effect in premium payments and services.

Systems base their management on the family unit, while the council recommended that the systems adopt the individual unit to promote equality between men and women.

It also urged a reduction in the number of years, now 25, over which an individual is required to pay premiums before he or she is qualified to receive the old age pension.

Part-time workers should also be covered in the employees' pension system, the council said.

North Korea

Kim Yong-sam's 'Crushing' Election Defeat Viewed

SK0107112095 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT 30 Jun 95

[NODONG SINMUN 30 June commentary: "The Traitorous Group Suffered a Crushing Defeat"]

[FBIS Translated Text] For the first time in 34 years, local autonomous elections, which were suspended by Pak Chong-hui's 16 May 1961 military coup d'etat, were held in South Korea on 27 June.

According to the final statistics released by the Central Election Management Committee, in the mayoral and gubernatorial elections for six cities under the direct supervision of the government as well as the nine provinces, the Democratic Liberal Party [DLP] won in only five locations, including Pusan and North and South Kyongsang Provinces. The Democratic Party won in Seoul, Kwangju, and North and South Cholla Provinces. The United Liberal Democrats won in Taejon, North and South Chungchong provinces, and Kangwon Province. Thus, the opposition camp won in eight places, with independents winning in Taegu and Cheju Province. This results in a disadvantageous situation for the ruling party of ten defeats versus only five victories. Of the 230 posts for mayor, county leader, and ward leader, the opposition and independents won 159 posts, with the DLP winning only 71.

As seen above, the local autonomous elections ended in a victory for the opposition, including South Korea's democratic forces, and a crushing defeat for the ruling camp, including the Kim Yong-sam ruling force.

Before the elections, the Kim Yong-sam ring was positive about so-called certain victory for the DLP because the Kim Yong-sam ring attempted to provide a foothold for stability and its prolongation of power by currying favor with people and seating their lackeys in local autonomous organizations. However, this turned out to be a prize beyond its reach.

The elections became an opportunity for the people's stern judgment on the Kim Yong-sam civilian fascist dictatorship. The result of the elections thoroughly demonstrated that South Korean public sentiment has completely turned against the Kim Yong-sam regime, refusing to give it any further opportunities.

That the Kim Yong-sam regime, bearing the signboard of a civilian regime, suffered such a crushing defeat unprecedented in South Korean election history is a natural consequence that could not turn out otherwise.

Only two years and four months have passed since the Kim Yong-sam regime came to power. What the Kim Yong-sam regime showed during this period was its lack of political ability, lack of policy, and the political failure resulting from it, as well as a series of continued major accidents of various types. Therefore, the civilian politics and reform policies the Kim Yong-sam regime advocated upon launching its regime turned out to be a lost cause.

On the other hand, the grievances of the people suffering under the civilian fascist rule have skyrocketed, and the people's livelihoods have fallen into misery day-by-day under the South's business conglomerate-oriented economic policies and its forcing of pain-sharing on the popular masses. This has led the people to clearly confirm that no problem could be solved in South Korea with Kim Yong-sam in power.

Moreover, the insidious purpose pursued by the present ruling group in North-South relations, and the antinational and antireunification divisive maneuvers it implements, caused consistent disappointment and indignation among the people.

In fact, over a two-year period in the past, the North and South held high-level talks and announced the basic agreement and joint declaration on denuclearization. However, the Kim Yong-sam regime, during its two year-period in power, has frozen North-South relations and led these relations to a state of complete closure. The Kim Yong-sam regime has thus led the situation to the worst possible state in which even a minor humanitarian problem cannot be resolved.

It is self-evident that the South Korean people must turn their backs on the Kim Yong-sam regime.

The tragedy is that although the Kim Yong-sam ring has committed such enormous crimes as creating a lack of political ability and policy failures, and has led North-South relations to their worst state, it does not realize this and continues to commit traitorous, fascist, antinational, and divisive acts. Therefore, it is quite proper that the South Korean people should have passed a stern judgment on the Kim Yong-sam ruling force.

The Kim Yong-sam ruling force has choked itself. It has no one else to blame. The result of the elections shows that the fortunes of the Kim Yong-sam regime have begun to decline and its ruin is at hand.

If the Kim Yong-sam ring domestically steps up its fascist suppressive politics, externally pursues an outside force-dependent policy, and intensifies the confrontation policy against us in an attempt to tide over the crisis, its dull head being incapable of grasping the situation, it will only expedite its ruin.

For the Kim Yong-sam ring, defeat will be bitter and painful, but since it has caused its own ruin, it must accept things as they are, though reluctantly. It cannot do otherwise. Even if the Kim Yong-sam ring tries to do otherwise, it will be impossible. There is a saying that a good-natured person can have an arrow pass through him unhurt, and that an ill-natured person will be hit by the arrow. If the Kim Yong-sam ruling force is hit by an arrow, it will be paying the price for the crimes it committed against the country and the masses.

Now that the South Korean people have defeated the DLP in the elections, they should continuously and stubbornly wage a more vigorous anti-Kim Yong-sam and anti-DLP struggle until their yearning for democratization is realized.

KAPPC Chief Meets French Economic Delegates

SK0307235295 Pyongyang KCNA in English 2318 GMT 3 Jul 95

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — Kim Yong-sun, chairman of the Korean Asia-Pacific Peace Committee [KAPPC], today met and [had] a friendly conversation with the French economic delegation led by Pierre Ceyrac [spelling of name as received], vice-chairman of the Association for the Promotion of Relations Between Europe and the Democratic People's Republic of Korea.

WPK Delegates Return From Conference in Greece

SK0307012795 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 Jun 95

[FBIS Translated Text] The Workers Party of Korea [WPK] delegation led by (Yim Sung-pil), vice director of a department of the WPK Central Committee, which was participating in the international conference of the world's progressive parties held in Greece, returned home on 29 June by train.

Pak Kyong-son, vice director of a department of the WPK Central Committee, welcomed the delegation at Pyongyang Station.

Malaysian Party Leader Receives Youth Delegates

SK0307012695 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 Jun 95

[FBIS Translated Text] Lim Keng Yaik, president of the Malaysian People's Movement Party, received the League of Socialist Working Youth of Korea [LSWYK] delegation led by Choe Yong-hae, chairman of the LSWYK Central Committee, which is visiting this country, on 27 June.

During the meeting, the head of the delegation conveyed the great leader [yongdoja] Comrade Kim Chong-il's greetings to President Lim Keng Yaik. The president expressed deep gratitude and asked the head of the delegation to convey his sincere greetings to the great leader [yongdoja] Comrade Kim Chong-il. Talks were held amid a friendly atmosphere.

LSWYK Delegates Return From Nepal, Malaysia

SK0507014795 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 1 Jul 95

[FBIS Translated Text] The delegation of the League of Socialist Working Youth of Korea [LSWYK] led by Choe Yong-hae, chairman of the LSWYK Central Committee, returned home by plane today from its visit to Nepal and Malaysia.

Greeting the delegation at the airport was Choe Hyon-tok, vice chairman of the LSWYK Central Committee.

Foreign Government, Party Leaders on Solidarity

SK0307151495 Pyongyang KCNA in English 1507 GMT 3 Jul 95

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — Khaleda Ziaur, prime minister of Bangladesh, said that she sincerely wishes the Korean people greater success in their work for prosperity and reunification of the country under the wise leadership of the great leader His Excellency Kim Chong-il, when she met the Korean ambassador, who paid a farewell call on her.

She hoped that the friendly and cooperative relations between Bangladesh and Korea would continue to develop in the future, too.

B. Dashyondon, general secretary of the Mongolian People's Revolutionary Party, wished the Korean people success in the struggle for the reunification of the country when he met the Korean ambassador.

Noting that respected Comrade Kim Il-song was the most prominent statesman and leader of the world revolution in present time, he said the Korean people's future is definitely guaranteed because they have Comrade Kim Chong-il who is successfully carrying forward the revolutionary cause pioneered by Comrade Kim Il-song.

Andres Regiardo Sayan, national general secretary of the "Cambio 90" movement, told the Korean ambassador that the respected leader President Kim Il-song's life and exploits are great and that he believes Korea's reunification will be realised in 1990s as the president hoped.

Co-leader of the Working People's Alliance of Guyana Rupert Roopnarine, when he met the Korean ambassador, said that the success in the recently held DPRK-U.S. talks is attributable to the victorious leadership of the great leader His Excellency Kim Chong- il according to the policy shaped by the great leader President Kim Il-song.

He emphasized that he will as ever support the Korean people's struggle for the independent and peaceful reunification of the country.

Kim Chong-il's Ideological Work Reported Abroad

SK0207081095 Pyongyang KCNA in English 0805 GMT 2 Jul 95

[FBIS Transcribed Text] Pyongyang, July 2 (KCNA) — The famous work of the great leader Comrade Kim Chong-il "Giving Priority to Ideological Work Is Essential for the Accomplishment of the Socialist Cause" is widely being reported in different countries.

The Cuban paper GRANMA quoted the supreme leader of the Democratic People's Republic of Korea Comrade Kim Chong-il as saying in the work:

"Only when we have armed the popular masses solidly with the socialist ideology and strengthened the ideological bulwark of socialism can we consolidate and develop socialism and defend it firmly from whatever storm."

The paper reported that he called for frustrating the reactionary ideological offensive of the imperialists.

Comrade Kim Chong-il pointed out the need to ensure leadership of the working-class party firmly over ideological work and expressed belief in the ultimate victory of socialism, the paper said.

The Romanian paper ADEVARUL and the Guyanese TV also reported the work.

Monuments to Kim Chong-il Unveiled at Mines

SK0207083795 Pyongyang KCNA in English 0828 GMT 2 Jul 95

[FBIS Transcribed Text] Pyongyang, July 2 (KCNA) — Ceremonies for unveiling the monuments to propositions of the great leader Comrade Kim Chong-il were held at the Komdok Mining Complex, a lead and zinc ore producer, and the Yongyang Mine, a magnesite producer, on June 30.

The monuments were erected on the occasion of the 20th anniversary of the on-the-spot guidance of Comrade Kim Chong-il over the Komdok Mining Complex and the Yongyang mine on July 1, 1975. They are immortal monuments to hand down his leadership feats through generations.

Inscribed in the monument (3.2 metres high and 5.8 metres wide) set up in the entrance of the Kumgol Branch Mine of the Komdok Mining Complex are the letters "The Komdok Mine is like a gold mountain and valley. Kim Chong-il."

The monument (8 metres high and 1.4 metres wide) set up in the centre of the Paekgumsan Village of the Yongyang mine bears the letters "Ours is a world of the working class. Kim Chong-il."

The Komdok area, renowned for rich underground resources from olden times, is deposited with more than 30 kinds of ores including lead and zinc and their deposits amount to hundreds of millions of tons of ores.

Giving on-the-spot guidance to the Komdok mine on July 1, 1975, Comrade Kim Chong-il said: As a matter of fact, we are sitting on a gold bullion. The Kohdok Mine is the largest lead and zinc mine in the world.

On July 2, while continuing his on-the-spot guidance to South Hamgyong Province he told a senior official of the province that "the Komdok mine is like a gold mountain and valley". And he put forward the task to concentrate efforts on it.

Comrade Kim Chong-il, giving on-the-spot guidance to the Yongyang mine, told miners: "Ours is a world of the working class." This is an immortal classical proposition reflecting his profound idea and great intention to make the working class stand before the era and the people as the leading class and the hardcore unit of the revolution and assimilate the whole society to the working class.

A monument to the revolutionary history of the great leader President Kim Il-song erected before the crushing ground of Ore Dressing Plant No.3 of the Komdok Mining Complex and a monument to the revolutionary history of Comrade Kim Chong-il set up on the compound of Ore Dressing Shop No.2 were also unveiled that day.

Kim Chong-il Thanks Unit for Rural Area Work

SK0207095595 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 1 Jul 95

[FBIS Translated Text] The great leader of our party and people and the supreme commander of the Korean People's Army [KPA] Comrade Kim Chong-il highly commended the responsible functionaries of Comrade Kang Se-rok's KPA unit for their vigorous assistance to the socialist rural area. The responsible functionaries of the unit, including Nam Sang-nak and Yi Pyong-sam, vigorously conducted the work of assisting the rural area, upholding the party's militant call to add luster to the 50th anniversary of the founding of the Workers Party of Korea, setting an example and showing by practice rather than precept.

The respected and beloved supreme commander Comrade Kim Chong-il, upon receipt of this report, stressed the importance of responsible functionaries to set examples and show by practice rather than precept in work and life; he also noted that the responsible functionaries of the units of the People's Army should uphold the party with practical action rather than with words, as the responsible functionaries of the said unit did, and become true revolutionaries who wage a devoted struggle to solve the problems that the revolution requires and that the party intends to solve.

The respected and beloved comrade supreme commander said he is pleased the People's Army is vigorously and actively conducting the work of assisting the rural area, and highly commended the functionaries of the unit.

The meeting to deliver the commendation of the KPA Supreme Commander Comrade Kim Chong-il was held at the unit on 1 July. Present at the meeting were Gen. Yi Pong-won; responsible functionaries, officers, and soldiers of the unit; employees of the unit; and families of the soldiers.

The commendation of the respected and beloved comrade supreme commander was delivered at the meeting amid the enthusiastic applause of the participants.

Then general-grade officers Nam Sang-nak and Kim Yong-cho, and employee Pyon Kyong-hui, made speeches of resolution. The meeting adopted a letter of pledge to the respected and beloved supreme commander Comrade Kim Chong-il.

Article Praising Kim Il-song Published in Russia

SK0407225595 Pyongyang KCNA in English 1524 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — Nicolay Mishin, director of the Paleya Publishing House of Russia, published an article headlined "Eternal Great Man".

In the article with the subtitles "Straw-Thatched House Under Apricot Trees", "Benevolence Is Main Characteristic of the Leader, Father of the Nation" and "Unknown Facts" he said that the great leader President Kim Il-song is a great man who is immortal, enjoying absolute trust and love of the people for his outstanding role in the creation of history.

Mangyong Hill is not highest in Korea but no hill is compared with it from the historic point of view, he noted, and continued: It is because Mangyongdae is a cradle which brought up Comrade Kim Il-song, a source of light of our planet in the 20th century, for humankind.

Benevolence is main characteristic of the leader, father of the nation. The chuche idea has become a mental heritage of all the people the world over.

The great Comrade Kim Il-song had long believed in the people as in heaven and made sure that the nomenclature of the state, Army, monumental edifices and all the valuable and excellent things of the country were called with the word of people.

The terms of benevolence has been applied to politics by Comrade Kim Il-song, the father of the Korean nation and our teacher, and Comrade Kim Chong-il.

Comrade Kim Chong-il in the work "Socialism Is a Science" said that a political leader for socialism should have capacity but, above all, the noble virtues of boundlessly loving the people.

The father of the nation Comrade Kim Chong-il is showing the whole world a model of the noblest benevolent politics. He is making efforts, first of all, to discharge his obligation as the political successor to the leader and defend and glorify forever the great feats of the leader who passed away.

The great Comrade Kim Chong-il will become a paragon of outstanding leaders in the 21st century.

His chuche, benevolence, new scientific theory will be the foundation vital to the world's people.

Our planet will be on the track of happiness and progress, a new track along the course indicated by the great Comrade Kim Chong-il.

He in the last part of the article stressed: If anyone asks me which of the treasurehouse of world civilization I will defend, I will answer that I will defend the chuche idea, and if anyone asks me whose soldier I will become, I will answer without hesitation that I will become a soldier of Generals Kim Il-song and Kim Chong- il.

Paper Calls Kim Il-song's Tomb Site Holy Land

SK0507112995 Pyongyang KCNA in English 1021 GMT 5 Jul 95

["Supreme Holy Land of Chuche" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 5 (KCNA) — NODONG SINMUN today carries a political essay headlined "Supreme Holy Land of Chuche".

The political essay reads in part:

This land now has the supreme holy land where the great Comrade Kim Il-song, the eternal leader of the Workers' Party of Korea and the Korean people and the sun of chuche, is preserved in state and the sun of chuche is shining brightly. This is a great event which enables our faith of chuche to be eternal, our chuche cause to make a long drive and our era of chuche to be immortal.

The Kumsusan area in Pyongyang where the great leader President Kim Il-song wisely guided party and state affairs for a long time has been built as the supreme holy land of chuche. Placed there are a "chuche idea works exhibition" which shows the brilliant ideological and theoretical activities of President Kim Il-song and "Kumsusan Memorial Palace" in which his odour and temperature are felt.

The author of the political essay continues:

Comrade Kim Il-song who always gives our people deep trust and love, strength and courage is preserved here in state as if he were taking a rest after a busy work. This means his great revival and eternity. It is an honour of people and humankind. It is a great glory and a great happiness which instils eternal faith of chuche into our minds and boundlessly guarantees our destiny and future.

The great leader Comrade Kim Chong-il said: "It is the unshakable will of our people to uphold respected Comrade Kim Il-song as the leader of our party and our revolution for all ages with their purest hearts."

The essay further says:

The tender image of Comrade Kim Il-song is a great source of joy and happiness, strength and courage, victory and glory, trust and love without an equal in the world.

The faith in the idea which one advocates and in the cause he carries out emanates from worship for the founder of the idea and the pioneer of the cause. When the founder of the idea, the pioneer of the cause, is eternal, the faith in the idea and the cause is everlasting and the idea and the cause are also immortal.

Comrade Kim Il-song began to cover a legendary course in his childhood. He crossed the River Amnok at the age of 13, and held high the banner of the national liberation, class emancipation and human liberation at the age of 14. He founded the immortal chuche idea, the highest peak in the history of human thought and devoted all his life to its realisation till his great heart stopped beating.

Here, at "Kumsusan Memorial Palace", he met not only our people but many foreign party and state leaders, political, public and academic figures and gave them precious teachings.

A great many people were received here by him, obtained firm faith and courage and joined in the trend of independence, the strong trend of our era.

At "Kumsusan Memorial Palace" he finds himself among humankind and kindly encourages them to follow the road of independence as he did in his lifetime, embracing all the people and giving them trust and strength.

Our country, our motherland, is the country of chuche. In our capital city of Pyongyang there is the supreme holy land of humankind which all the people look up to.

The supreme holy land of chuche is in the minds of our entire people and of humankind. It leads to all the ways the world over.

At this supreme holy land of humankind those who want trust will get it, those who go astray will find a correct way and those with a lack of strength and courage will attain them down through generations.

The great leader Comrade Kim Il-song will always be with us as we are led by the great Comrade Kim Chong-il.

History will advance forever with the supreme holy land of chuche as the centre.

Activities Mark Kim Il-song's Death Anniversary

National Photo Exhibition Held

SK0507042695 Pyongyang KCNA in English 0421 GMT 5 Jul 95

[FBIS Transcribed Text] Pyongyang, July 5 (KCNA) — A national photo exhibition opened at the Pyongyang Indoor Stadium on July 4 with a due ceremony on the occasion of the first anniversary of the death of the great leader President Kim Il-song.

On display at the exhibition are more than 150 photographs showing the energetic revolutionary activities of President Kim Il- song, who devoted his all to the prosperity and development of the country, to the freedom and happiness of the people and to global independence, and the endeavours of the Korean people to implement his behests.

Also exhibited are photographs of Korean people in the North and the South, overseas Koreans and foreign friends expressing condolences in bitter sorrow at the sudden death of President Kim Il-song.

On show there are photographs showing the readiness of the Korean people to make a powerful advance under the guidance of respected general Kim Chong-il including the photograph "Working people making firm determination to uphold the great leader Comrade Kim Chong-il with a loyal heart".

Kim Ki-nam, secretary of the Central Committee of the Workers' Party of Korea, delivered an opening address at the ceremony.

Paektu Society Distributes Leaflet

SK0107101695 Pyongyang KCNA in English 1009 GMT 1 Jul 95

[FBIS Transcribed Text] Pyongyang, July 1 (KCNA) — Many copies of a literature revering the great leader President Kim Il- song were scattered in Taegu and Kyongju cities and Yongchon County on June 14 in the name of the Paektu Society, Seoul-based radio Voice of National Salvation quoted the North Kyongsang Provincial Committee of the National Democratic Front of South Korea as saying in its information.

Written in the front page of the literature 15 by 25 centimetres were "We fully support the North's June 12 decision on preserving the great leader Kim Il-song in state" under the title "Important Measure of National Significance Which Touches the Heartstrings of All People."

Also printed in the front page were letters "The respected leader Kim Il-song is the nation's eternal sun of chuche. Let all of our people hold him in high esteem for all ages in one mind."

Written in the reverse side were following letters under the title "The Leader Kim Il-song Will Always Be With Us":

"The leader Kim Il-song will be laid, as he was in his lifetime, in 'Kumsusan Memorial Palace' in Pyongyang. This is a great privilege and good fortune for our fellow countrymen and humankind.

Let all of us invigorate the reunification movement, true to the behests of the leader Kim Il-song for the country's reunification, to move up the day when we can see him preserved in state!

June 14, 1995, Paektu Society."

NDFSK Publishes Information

SK0307044795 Pyongyang KCNA in English 0432 GMT 3 Jul 95

["Let Us Hold Leader Kim Il-song in High Esteem For All Ages" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — Seoul-based radio Voice of National Salvation reported an information of the South Chungchong Provincial Committee of the National Democratic Front of South Korea (NDFSK).

The information said that upon hearing the North's decision on preserving the respected leader Comrade Kim Il-song in state, the members of the April 15 fellowship society active in Chonan held a meeting and decided to print and distribute literature titled "Let Us Hold Leader Kim Il-song in High Esteem For All Ages".

Noting that the decision of the North is an important step of national significance reflecting unanimous aspiration of all people, An Kwang-ho, head of the society, said intensifying propaganda for holding the leader Kim Il-song in high esteem as the eternal sun of chuche is a noble duty and honor of the vanguards of the movement to change the South Korean society.

The members of the society decided to carry in the literature its plan to have a meeting for the study of the chuche idea, a reading session of the reminiscences of the fatherly leader Kim Il-song, a meeting for the study of his works, etc. on the first anniversary of his death and hold a memorial service on the day of his death.

Cadres Trainers Hold Symposium

SK0407050495 Pyongyang KCNA in English 0456 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — A symposium of those in the field of training party cadres was held on July 3 on the occasion of the first death anniversary of the great leader President Kim Il-song.

The participants paid a silent tribute to the memory of President Kim Il-song.

The speakers of the symposium said that the great Comrade Kim Il- song is the eternal leader of the Workers' Party of Korea and the Korean people and the sun of chuche who performed the most brilliant exploits in the human history of thought by founding the immortal chuche idea and indicating the idea and theory to accomplish the popular masses' cause of independence.

They said that he formulated the chuche-based idea of training revolutionary cadres long ago and successfully realised it. This is one of his exploits for our party and revolution, they added.

They noted that he made distinguished contributions to the cause of building a working-class party by indicating scientific and revolutionary way of training communist revolutionary cadres of chuche type, establishing a regular system of party cadre training and constantly developing the contents and method of teaching party cadres.

It is thanks to the wise guidance and deep love of Comrade Kim Il-song that party cadre training centres were able to train a large number of cadres who would break through the ordeals of the revolution in the van and that a sure guarantee for the accomplishment of the cause of the Korean revolution was laid, they stressed.

They said that the great leader Comrade Kim Chong-il provided an ideological and theoretical guideline to carry through the policy of party cadre training set forth by Comrade Kim Il-song, wisely directed this work and warmly looked after the officials, teachers and students of the party cadre training centres with the politics of love and trust.

They declared that they would defend and glorify Comrade Kim Il- song's idea of party cadre training and make a new success in the work of training party cadres under the guidance of the great Comrade Kim Chong-il, thereby producing excellent officials who would unswervingly work for the revolution.

Social Scientific Symposium Held

SK0407043095 Pyongyang KCNA in English 0423 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — A social scientific symposium was held in Pyongyang on July 3 on the occasion of the first anniversary of the death of the great leader President Kim Il-song.

The participants observed a moment's silence in memory of President Kim Il-song.

The speakers of the symposium said that one of the undying exploits performed by the respected leader Comrade Kim Il-song in the sacred cause for the people all his life is that he founded the immortal chuche idea, the guiding idea of the era of independence, and brightly indicated the road ahead of humankind in the present times.

They said that he built socialism centred on the popular masses on this land, pioneered the cause of socialism from a new angle and led it along the road of victory and creditably solved the issue of carrying forward the revolutionary cause.

He put forward the unique policy of transforming the whole of society on revolutionary and working-class lines and making it intellectual and wisely organised and led the work to put it into practice, the speakers said.

They stressed that with the chuche-based methodology, he indicated the road of social sciences and laid a sure foundation for developing them and, with his extraordinary leadership, he developed social sciences into ones which render a useful service in the revolutionary practice.

He founded a new political economy of our times, established revolutionary traditions of social sciences including philosophy, history, linguistics, literature and arts and social politics and made all branches of social sciences the most advanced ones in the world, the speakers said, adding:

It is thanks to the extraordinary ideological and theoretical activities and energetic guidance of the great leader Comrade Kim Chong-il who is the same as the fatherly leader President Kim Il- song in thought, leadership and virtues that our social sciences have developed onto a higher stage.

Revolutionary History Displayed

SK0307105495 Pyongyang KCNA in English 1009 GMT 3 Jul 95

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — A room of the Mangyongdae Revolutionary Museum was opened on July 1 on the occasion of the first death anniversary of the great leader President Kim Il-song. This room exhibits the data on the revolutionary history of President Kim Il-song who energetically worked for the development of the country and the happiness of the people till the last moment of his life.

This museum is situated in Mangyongdae where President Kim Il- song was born.

The newly-arranged room emotionally shows revolutionary relics and materials on the glorious and brilliant revolutionary history of President Kim Il-song, who conducted energetic activities till the last moment of his life, and on the noble sense of communist moral obligation of the great leader Comrade Kim Chong-il.

According to the materials, President Kim Il-song met and posed for photographs with anti-Japanese revolutionary fighters, People's Army soldiers and the participants in the fifth congress of the Korean Children's Union in 1994, the last year of his great life. And he visited Kumdang Cooperative Farm in Onchon County, South Pyongan Province, and the Taesong District Cooperative Farm in Pyongyang and indicated ways and took measures to do farming better. Also exhibited in the room are materials showing his activities in rousing the entire people to the implementation of the revolutionary economic strategy of the Workers' Party of Korea and his delivering a speech at the consultative meeting of officials in the domain of economy on July 6, 1994.

Also on display are materials showing his activities conducted on July 7, 1994, for the reunification of the country.

Exhibits of the room include materials showing the noble sense of communist moral obligation of Comrade Kim Chong-il including pictures of him expressing condolences before the bier of President Kim Il-song and attending a ceremony for bidding last farewells to the fatherly leader.

The room exhibits materials showing the sorrow of the Korean people who are shedding tears in bitterest grief at the sudden death of President Kim Il-song. Also on display are materials showing the Korean people, who are pushing ahead with socialist economic construction by changing their sorrow into strength and courage.

The room has a picture of President Kim Il-song with his face beaming with smile as bright as sunshine, above "The great leader Comrade Kim Il-song will always be with us", a slogan representing the faith of the Korean people.

Papers Carry Song Praising Kim

SK0307045895 Pyongyang KCNA in English 0445 GMT 3 Jul 95

["Song 'The Leader is Always With Us'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — Paeans for the great leader President Kim Il-song can be heard in all parts of Korea.

The song "The Leader is Always With Us" is one of such paeans.

This recently created song was carried in NODONG SINMUN, the organ of the Central Committee of the Workers' Party of Korea, MINJU CHOSON, the organ of the government of the Democratic People's Republic of Korea, and other newspapers.

The three-stanzaed song says that the people are still longing for President Kim Il-song who showed great love to them all his life and Korea will prosper with his great feats shining in the socialist country. The great President Kim Il-song will always be with us, the song stresses.

The Korean people are singing this song with tears rolling down their cheeks, sorely missing the president with the approach of the first anniversary of his death.

It is thanks to the tireless efforts and undying feats of the fatherly leader President Kim Il-song who had warmly loved the country and the people all his life that socialist Korea is developing as it is today.

The Korean people are ardently longing for his bosom awake or asleep, reminiscent of his loving care and tireless efforts.

The song represents such ardent feelings of the Korean people and their iron faith and determination to exalt their honor and dignity of being members of the Kim Il-song nation and the might of chuche Korea all over the world, holding him in high esteem forever.

As soon as it was created, this solemn song has become very popular among the people as a masterpiece of the times.

Kim Il-song 'Acclaimed' by People

SK0407045995 Pyongyang KCNA in English 0450 GMT 4 Jul 95

["Great Comrade Kim Il-song Acclaimed by Korean People as Their Leader for the First Time in History of Thousands of Years" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — Though the heart of the great leader Comrade

Kim Il-song stopped pulsating, his great image and August name will shine forever along with the eternal prosperity and development of the Kim Il-song nation, says NODONG SINMUN in a signed article today.

The article says the great Comrade Kim Il-song, who is always with the Korean people, was a leader acclaimed by the Korean nation for the first time in the history spanning thousands of years.

The article quotes the great leader Comrade Kim Chong-il as saying:

"The respected Comrade Kim Il-song is the great leader who has been acclaimed by our people for the first time in their history of several thousand years, he is the teacher and father of our party and people."

The article further says:

Comrade Kim Il-song embarked upon the road of revolution in his early years with brilliant intelligence, distinguished leadership ability and noble virtues and ushered in the most glorious era for the future of the Korean people.

He was the greatest of great men, whom no one could be a match for in ideological and theoretical wisdom, leadership ability and virtues.

Brilliant ideological and theoretical intelligence, distinguished leadership ability and noble virtues are extraordinary personalities of Comrade Kim Il-song.

His ideological and theoretical wisdom is characterized by clairvoyance whereby he grasped in time the overall current of society and the trend of the times through a phenomenon; sagacious insight whereby he understood the will and demand of the popular masses through simple words of workers, farmers and other working people; and rare analysis and judgement whereby he collected and systematized the desires of the popular masses.

He had a profound knowledge of politics, the economy, science, education, military affairs, literature and art and all other domains and gave wise guidance to them. He has all along believed in the strength of the popular masses and enlisted their strength and wisdom, turning the adversity into favourable conditions, and misfortune into a blessing. Such leadership ability of his was a rare quality that could be possessed only by a genius of leadership.

The clairvoyance of the great leader who shapes a line and policy, foreseeing the near and distant futures, is particularly extraordinary.

He was an outstanding thinker and theoretician and a genius of leadership. He was a great human being with an infinite love for people, a man of justice and of ardour as well.

His benevolence was respect to and infinite devoted service to the people whereby he believed in the people as in heaven and spared nothing for them; boundless magnanimity whereby he took warm care of the people in all walks of life without distinction; and love for man whereby he regarded the pains of the people as his own with absolute trust in them.

One of the most distinguished historical feats performed by Comrade Kim Il-song for the country and nation is that he saved the destiny of the Korean people who stood at the crossroads of life and death and defended it firmly.

He defeated the Japanese imperialists and resurrected the Korean people in his thirties and knocked down the U.S. imperialists who were boasting of the "strongest" in the world, in his forties so as to resolutely defend the destiny of the people. For the undying feats he has been praised as the greatest man ever known in history and saviour of the nation.

Comrade Kim Il-song was an outstanding leader who built a genuine country of the people, socialist Korea today, where all the centuries-old desires of the Korean people have been carried into a brilliant reality.

The greatest feat performed by Comrade Kim Il-song for the eternal prosperity and development of the Korean people is that he succeeded in solving the question of carrying forward the revolutionary cause so that the Korean people could have another great leader of the nation.

The Korean people who was the first to be blessed with an illustrious leader in the history of thousands of years by having their leader in the person of Comrade Kim Il-song is proud of being a people who are blessed with illustrious leaders generation after generation by holding the great leader Comrade Kim Chong-il in high esteem.

Respected Comrade Kim Chong-il is another Comrade Kim Il-song in ideology, leadership and virtues. The Korean people will uphold the idea and leadership of Comrade Kim Chong-il with a single heart of loyalty and filial piety for a greater prosperity and development of their country, their motherland.

'Historic Materials' Exhibited

SK0407101795 Pyongyang KCNA in English 1007 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — Rooms of new historic materials on the great military feats of the great leader President Kim Il-song have been built at the revolutionary museum of the Ministry of the People's Armed Forces on the glorious history of our party to build a chuche-type army, on the occasion of his first death anniversary.

On display there were historic materials vividly showing the leadership feats of President Kim Il-song who wisely led the building and activity of the Korean People's Army [KPA] from the second half of the 1980s to the early 1990s.

Divided into two rooms, the historic materials graphically show the great Army leadership traits of President Kim Il-song who firmly defended the chuche socialist cause by energetically leading the work of increasing the self-reliant national defence capabilities, old as he was, in the fast-changing situation when the anti-DPRK, anti-socialist campaign of the imperialists and their new war provocations were growing more vicious than ever before.

Particularly, what draws attention is the immortal historic materials showing that the great leader personally participated in the meeting of the company political instructors of the Korean People's Army on December 25, 1991 and stressed that all the Army should uphold the leadership of Comrade Kim Chong-il, supreme commander of the Korean People's Army, with loyalty.

Also exhibited were pictures showing him among soldiers attending such historic meetings as KPA sergeant-majors' meeting, company commanders' meeting, and materials regarding the meetings.

With the new historic materials exhibited, it has been possible to enrich and convey down through generations the history of the Army leadership of Generalissimo Kim Il-song, an extraordinary military strategist and ever-victorious iron-willed brilliant commander.

Talk on Reunification Published

SK0407104395 Pyongyang KCNA in English
1022 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — "Let Us Reunify the Country Independently With Concerted Efforts of the Whole Nation", a talk of the great leader President Kim Il-song to the overseas Koreans who participated in the third pan-national rally on August 19, 1992, was published by the Workers' Party of Korea publishing house.

President Kim Il-song in the work said that reunification of the country is the supreme national task, which brooks not a moment's delay, and we should fulfil the ardent desire of the whole fellow countrymen by achieving national reunification at an early date. He pointed out the principle in achieving national reunification and the way for its implementation.

President Kim Il-song said that reunification of the country should be achieved without fail on the basis of the three principles of independence, peaceful reunification and great unity of the nation.

He threw light on the matters of opposing dependence on outside forces and achieving national reunification through the nation's own efforts from a firm position of national independence.

He said that basic guarantee for achieving reunification of the country in independent and peaceful ways lies in achieving the great unity of the whole nation.

President Kim Il-song in the work expounded the matters of uniting the whole nation in one mind transcending difference in ideology, political view and religious belief; distinguishing between the forces for reunification and the forces for division and further expanding the forces for reunification; continuing to rationally organize the pan-national rally in which representatives of fellow countrymen in North, South and abroad widely participate; and other practical ways of accelerating national reunification.

Picture Album Published on Kim

SK0407105595 Pyongyang KCNA in English
1037 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — The literature and art press group brought out the big picture-album "Oh, Our Leader" on the occasion of the first anniversary of the death of the great leader President Kim Il-song.

The picture-album shows on a vivid artistic canvas that the Korean people and the progressive people of the world are feeling an irresistible yearning for the fatherly leader who had devoted all his life to the implementation of the popular masses' cause of independence and that he remains immortal as the sun of chuche.

The picture-album consists of the prefatory chapter, seven chapters and the final chapter.

Printed in the prefatory chapter are a portrait of President Kim Il-song with a beaming face and letters "The great leader Comrade Kim Il-song will always be with us", reflecting the invariable revolutionary faith and will of the Korean people to hold him in high esteem as the eternal leader, the sun of chuche, to the end of the sun and the moon. First four chapters titled "A Bolt From the Blue," "Thunder and Heavy Rain," "Ardent Wish" and "Sorrow of the World" carry pictures of the Korean people, overseas Koreans and foreigners writhing in a deep grief, upon hearing the thunderclap sad news that the president passed away, messages of condolence and wreaths sent by foreign heads of state and foreign press materials concerning his death.

Chapter 5 "The Bitter Last Farewell" carries pictures of Pyongyang citizens bidding their last farewell in tears to President Kim Il-song along the 40-kilometre route and of memorial services held in different parts of the country.

Given in chapter 6 "Immortal" are snapshots of a national memorial service solemnly held in the presence of the great leader Comrade Kim Chong-il.

Edited in chapter 7 "Pledge of Tens of Millions of Hearts" are pictures showing the confident looks of the Korean people who have risen up like mountain peaks with a firm pledge to accomplish the chuche revolutionary cause to the end under the leadership of Comrade Kim Chong-il true to the behests of President Kim Il-song.

The final chapter depicts Kimchongilia, an immortal flower, against the background of a brilliant sun, showing at a high ideological and artistic level that the respected leader Comrade Kim Il-song is the great leader Comrade Kim Chong-il.

Song Composed for Anniversary

SK0307231095 Pyongyang KCNA in English 1519 GMT 3 Jul 95

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — The recently created song "The Leader Is Always With Us" is being sung in Korea with the approach of the first anniversary of the death of the great leader President Kim Il-song.

People from all walks of life in Korea are singing this song, longing for President Kim Il-song. The song has been created and completed as a grand monumental masterpiece of the era under the wise guidance of the great leader Comrade Kim Chong-il. It is a paean reflecting all the people's faith and will to hold the fatherly leader President Kim Il-song in high esteem forever.

Working People of Korea said as follows, singing this song.

An anti-Japanese revolutionary fighter Kim Ik-hyon said:

The song is an immortal paean reflecting the unanimous mind of our anti-Japanese fighters and the entire people to hold in high esteem for all ages the great leader who devoted his whole life to the country and the people.

Vice-minister of Culture and Art Kim Chong-ho said:

The song, a monumental masterpiece of the era and a paean sung by all people, will be highly sung forever in the proud advance of our people who are upholding the leadership of respected Comrade Kim Chong-il with loyalty.

Kim Man-song, chairman of the South Pyongan Provincial Administrative and Economic Committee, noted:

We will bring about a new turn in the work to improve the people's living standard by carrying through our party's revolutionary economic strategy as intended by Comrade Kim Chong-il, bearing deep in mind the pledge we made before the bier of President Kim Il-song and highly singing this song.

Labour hero Jo Yong gi of the Pyongyang thermal power complex said:

Our working class will loudly sing this song forever and uphold the leadership of respected Comrade Kim Chong-il with loyalty for the prosperity and development of our country and our motherland shining with the august name of President Kim Il-song.

Hong Myong-yol, vice-chairman of the State Agricultural Commission, noted:

The agricultural working people will uphold the leadership of the great Comrade Kim Chong-il with highly increased production of grain, as they pledged from the bottom of their hearts before the bier of President Kim Il-song with bloody tears rolling down from their eyes, singing this song again and again.

General of the Korean People's Army [KPA] Chong Chang-yol said:

The officers and men of the KPA will hold President Kim Il-song in high esteem for all ages and remain unfailingly loyal to general Kim Chong-il, heartily singing the paean, a reflection of the people's mind, which has been provided by Comrade Kim Chong-il, the respected supreme commander.

Fifteen-Day Film Show Described

SK0407102895 Pyongyang KCNA in English 1017 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — A 15-day film show is going on in Korea on the occasion of the first death anniversary of the great leader President Kim Il-song.

The Korean documentary film "They Always Worked Together for the People" as well as feature films on the undying revolutionary exploits of the president is showing at cinema houses and halls of culture in all parts of Korea. The documentary contains a scene of

President Kim Il-song singing the song "Nostalgia", which leaves deep impressions upon the spectators.

Looking up to the tender image of the president singing the song full of energy despite his advanced age in 80s, our people also sing the song from the bottom of their hearts, unable to repress their bitter sorrow at his sudden death and their ardent longing for him.

The song was composed by the president during the anti-Japanese revolutionary struggle.

In the first and second stanzas, the composer says that his ears are resonant with the words about his return in good health said by his mother at the gate of his home with tears in her eyes when he leaves his native place and that he vividly remembers the brook not distant from the home and his younger brothers playing in the brook.

In the third stanza, the composer says that he cannot forget the spring of beautiful Mangyongdae (birth place of the president) washed by the River Taedong even when he is sleepy and evinces his determination to return to his dear native place after liberating the country.

The song is tender and mild, clear and sonorous in melody. So, the more one sings this song, the more ardently he feels the emotion of love for his parents, wife, sons and daughters, brothers and his native place and the more firmly he hardens his determination to unhesitatingly dedicate his youth and life to the country.

During the anti-Japanese armed struggle, the men of the Korean People's Revolutionary Army, hearing this song, hardened their resolution to retake their country from the Japanese imperialists at any cost.

It was in the spring of 1936 when men of the Korean People's Revolutionary Army were preparing for the advance into the homeland in Manjiang of China, longing for their native places.

The president told them in deep retrospect about Mangyongdae, his native place, about the fact that he had to depart on a great mission to liberate the country, leaving his ill mother and younger brothers behind at a straw-thatched house in Tuqidian valley of Xiaoshahe, and about his mother he saw waving her hand in a forest of reeds swaying in a wind when he looked back.

Then, he sang the song "Nostalgia" in a low tone, looking far into the sky of the far-away motherland.

The men of the Korean People's Revolutionary Army also sang the song loved by the president and turned out in the sacred battle to liberate the country.

During the fatherland liberation war, too, the president sang the song and roused the soldiers of the Korean People's Army and the people to the victory of the war.

It was late in June 1951 when the war was at its height.

The president met model combatants of the Korean People's Army, heard their combat stories and praised their feats. And he sang the song "Nostalgia" in a low tone to congratulate them on their feats.

The song made the soldiers have an iron will to defend at the cost of their blood the country restored and glorified by the president.

President Kim Il-song would sing this song when he was on the road of on-the-spot guidance to build a prosperous and powerful socialist Korea.

Today, the Korean people are striving to make their country and motherland more prosperous, singing the song "Nostalgia" loved and sung by President Kim Il-song all his life.

Poems, Songs Depict Kim Il-song

SK0407152795 Pyongyang KCNA in English
1517 GMT 4 Jul 95

[FBIS Transcribed Text] Pyongyang, July 4 (KCNA) — Many poems and songs depicting the great leader President Kim Il-song have been created among the people from all walks of life of Korea.

Yearning for the president is getting deeper as the days go by. It has become their poems and songs.

Poems which have been submitted to the Korean Writers Union Central Committee numbered more than 4,000 in one year since July last year. Among them, over 1,000 poems have been created by nonprofessionals and carried in publications.

Poems of memory "The Leader Is Always With Us", "We Look Up to Eternal Image" and "O, Leader, Our Leader" earnestly describe the people wailing over the sad news like a bolt from the blue, mountains and streams, grasses and trees wriggling in grief and the mind of the Korean people to cherish forever the tender image of the fatherly leader, hardly calming down their painful hearts.

Particularly, the poem "You Should Not Go This Way" fully reflects the earnest shouts of the people that the fatherly leader who covered tens of thousands of miles of rigorous road for the people should never depart from this world and his footsteps started in front of the gate of the old home in Mangyongdae should be linked with the future of a reunified country without fail.

Many poems emphatically say that a fortune has been brought about in this land and all the blessings today are possible thanks to April when the president was born.

Poems "The Spring of April" and "The Eternal Spring of Korea" are typical of the poems saying that even in tens of thousands of years, April in Mangyongdae will remain an eternal spring in the mind of the people together with the august name of President Kim Il-song.

Many songs have been created and sung widely among the people.

Among them are "The Leader Will Always Be With Us", "We Miss His Broad Smile", "Eternal Image", "Generalissimo Kim Il-song Is With Us" and "His Great Image Is Everlasting".

Many songs and poems reflect tears of the working people from all walks of life, youth and students, old men and children and their firm pledge to accomplish the chuche revolutionary cause, true to the intention of President Kim Il-song.

They also represent their firm pledge to achieve the socialist cause and the cause of national reunification without fail, upholding with loyalty the leadership of the great leader Comrade Kim Chong-il who is possessed of literary and military accomplishments and loyalty and filial piety and is leading the revolution and construction to victory.

Union of Agricultural Workers Holds Symposium

SK0307105295 Pyongyang KCNA in English 1017 GMT 3 Jul 95

[FBIS Transcribed Text] Pyongyang, July 3 (KCNA) — A symposium of officials and members of the Union of Agricultural Working People of Korea (UAWPK) was held here on July 1 on the immortal leadership feats performed by the respected leader President Kim Il-song in the work of the UAWPK.

The speakers said that Comrade Kim Il-song set forth the original idea on building a revolutionary peasant organisation and formed the peasant union which is a historical origin of a new-type revolutionary peasant organisation in Korea, during the period when he paved the road of the Korean revolution and thus provided its deep and stout historical root and wisely led the work of the UAWPK in each period and at each stage of the developing revolution.

The UAWPK has been strengthened and developed into a mass political organisation remaining unfailingly loyal to the leadership of the Workers' Party of Korea and the agricultural working people and members of the UAWPK have grown up to be revolutionaries with precious political integrity and are vigorously struggling to promote the final solution of the rural question, enjoying a worthy life and happiness, the speakers noted.

Stating that the chuche-based idea and leadership of the respected leader for building a peasant organisation have been successfully carried forward and developed by the great leader Comrade Kim Chong-il, they called for making all the members of the UAWPK unfailingly loyal and devoted to the party and firmly building the UAWPK into a revolutionary and militant, mass political organisation by enhancing the function and role of the organisation as intended by the party.

More Volunteers for Agricultural Work Reported

Discharged Soldiers Move to Farms

SK0107112195 Pyongyang Korean Central Television Network in Korean 1100 GMT 30 Jun 95

[FBIS Translated Text] Upholding the fatherly leader's lifetime will, an increasing number of working people in various fields are fulfilling the beautiful deed of volunteering to advance to socialist farms. Seven members of bereaved families of fallen soldiers as well as discharged officers and soldiers of the Changgwang Service Management Bureau in Pyongyang volunteered to advance to the Yongbong Branch Farm of the Mangyongdae District State-Run Farm.

The great leader Comrade Kim Chong-il showed great trust and consideration by reading the letter of loyalty written by the seven volunteers.

[Begin recording of unidentified person] They sent a group petition to go to the Mangyongdae State-Run Farm in order to thoroughly implement the great leader's lifetime teaching as taught by the great General Kim Chong-il. We are determined to defend our country and fatherland with rice. [end recording]

The volunteers laid flower baskets before the statue of the great leader Comrade Kim Il-song on Mansudae Hill, and confirmed their resolve to brilliantly realize the fatherly leader's far-seeing rural construction plan.

Family Volunteers for Farm Work

SK0507034495 Pyongyang Korean Central Television Network in Korean 1100 GMT 1 Jul 95

[FBIS Translated Text] The brother-and-sister fivesome of Comrade Han Myong-so, former guiding personnel of the Onchon County Administrative and Economic Committee, who have volunteered to work at the Chogye Cooperative Farm in Onchon County, cherishing deep in their hearts the burning determination to uphold the party with increased grain production by upholding the teachings left by the fatherly leader, stand at the head of the cooperative farm.

[Begin recording of unidentified reporter] These comrades are a brother-and-sister fivesome, technicians who have settled forever at the Chogye Cooperative Farm in Onchon County to bring the cooperative farm into full bloom where the glorious footmarks of the fatherly leader and General Kim Chong-il dwell. This is Comrade Han Myong-no, the eldest son. He is chief of the fourth workteam of the Chogye Cooperative Farm. They are also four sisters and their husbands.

The brother-and-sister fivesome have worked hard, devoting everything since they arrived at the cooperative farm with the single mind of upholding our party with rice. As a result, they receive love and respect from members of the cooperative farm. [end recording]

[Begin Han Myong-no recording] We only have done work that everyone can do and ought to do. Nevertheless, the great leader Comrade Kim Chong-il personally sent us a letter of thanks and put us at the forefront for the entire country to be aware of. Thus, we think there is no greater glory than this. We will resolutely make all possible efforts to make our country, our fatherland, richer and more prosperous by producing more rice through the thorough implementation of the chuche-oriented farm method. [end recording]

Electricity Transmision Office Conserves Power

SK0407073495 Pyongyang Korean Central Television Network in Korean 1100 GMT 3 Jul 95

[FBIS Translated Text] In hearty response to the party's intention to conserve electricity, officials of the Taedonggang District Electricity Transmission Office is vigorously carrying out the work to more efficiently use electricity, as well as the work to distribute electricity, and conserving much electricity as a result.

[Begin unidentified official recording] As everyone knows, these days, when the first anniversary of the great leader's death is just around the corner, plants and enterprises in various places are vigorously waging the struggle to increase production. Transmission office workers have the most important task of supplying electricity to plants and enterprises in a timely manner by vigorously carrying out the work to conserve electricity.

We performed maintenance on transformers and other equipment and transmission equipment and removed 54 defective parts in the past month. By so doing, we carried out the work to distribute electricity properly and make electricity used efficiently.

We conserved over 100,000 kwh for the past month by preventing overloading. Well carrying out the organizational work to operate plants in turn is a basic problem for efficiently using electricity. We went down to plants and enterprises to ensure that plants and work shops operate in turn. We also vigorously pushed ahead with the work to ensure that all sectors and units correctly apply the electricity consumption standards.

We also went to tong [smallest administrative unit] people's units and households, performed timely maintenance on electricity meters, and carried out propaganda work on conserving electricity to ensure tnat people consciously participate in the work to conserve energy. In this process, we conserved hundreds of thousands of kilowatt hours in one month. We will more vigorously carry out the work to distribute and conserve electricity. [end recording]

Huichon Farm Constructs Small Power Station

SK0407055595 Pyongyang Korean Central Television Network in Korean 1100 GMT 3 Jul 95

[FBIS Translated Text] The Huichon Poultry Farm has built a small power station which is running it well.

In hearty response to the great leader Comrade Kim Chong-il's call to build small and medium power stations everywhere, Comrade Choe Yong-un and other officials and workers of the poultry farm built a small power station, taking advantage of the favorable natural and geographical conditions of the Chongyang River. With the electricity produced at this power station, the plant powers not only lighting devices but also some production and food processing facilities.

Comrades Mun Kyong-no and Choe Kwang-chol, the generator operators, perform maintenance work on the waterway and electricity generation facilities, thus positively contributing to the production of electricity.

Electricity Producers Resolve Power Increase

SK0307095095 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Jul 95

[FBIS Translated Text] Functionaries and electric power producers in all power stations, who vigorously carried out the struggle for electricity production by upholding the great leader's lifetime teachings, registered great achievements in electric power production in the past year.

In a meeting with station reporter Chong Mun-chol, Comrades Kim Yong-yol, director of a bureau in the Ministry of Electric Power Industry; and Kim Hyong-hae, responsible guiding personnel; said:

[Begin recording] [Kim Yong-yoi] By upholding the great leader's lifetime teachings, the electric power producers in each power station under our Electric Power Industry Ministry, persistently carried out the struggle to effect a new upsurge in socialist economic construction in the past year with a firm resolution, thus registering a great achievement.

Fully understanding early on the significance of electric power production in economic construction, the fatherly leader always paid close attention to electric power production. In a discussion with functionaries from the economic field on 6 July last year, the fatherly leader stressed that the problem to be solved with priority in economic construction is the issue of electric power, and even designated the locations of power stations to be built in the future. Thus, he elucidated the road along which the electric power industry should advance. With firm determination to carry to accomplishment the pledges we made before the spirit of the fatherly leader, the working people in power stations everywhere rose in the struggle to continually increase the electric power production by mobilizing and using the existing power generation capacities to the maximum and to create new power generation capabilities. As a result, we produced more electric power than that produced during the same period the previous year.

According to the summarized data, hydraulic power stations in each area overfulfilled the electric power production plan each month since July last year to the present. In June, they produced 16 percent more electric power than July last year, thus registering success.

Functionaries and the working people in the 17 March Hydraulic Electric Power Complex; Kanggye Youth Power Station; Changjingang Power Station, and Hochonggang Power Station, who are deeply cherishing the pride of living and working in the site where traces of on-the-spot-guidance by the great leader and the dear comrade leader remained, ensured a high water-level by reasonably utilizing water. Upholding the remarks of the dear comrade leader for the increase in electric power production, they carried out power generators operations according to the demand of technical regulations and to the standard operational method, worthy of workers in charge of electricity production. They introduced science and technology to fully ensure the expected operational functions of power generation facilities, and thus markedly increased the electric power production.

[Kim Hyong-hae] You are right. In particular, the working people in Pukchang Thermoelectric Power Complex, upholding the lofty intention of the party and the fatherly leader, who said that only when the workers in Pukchang rise, can the whole country be filled with vitality and can the socialist economic construction be developed promptly, completed ahead of schedule the plan of maintenance and repair of (?No 5 generator) and [word indistinct] toward the end of last year. During the first half of this year, they produced 21 percent more electric power than the second half of last year, thus registering a success.

Thermoelectric power stations in all places, including Pyongyang Thermoelectric Power Complex, vigorously carried out the struggle to produce even one kilowatt more of electricity and thus registered great success.

Based on already-won achievements, functionaries themselves will go deeply into producers and timely inform them of the party's intention so as to actively inspire their revolutionary zeal and creative positiveness. Thus, they will carry to accomplishment the fatherly leader's lifetime teachings by effecting lofty success in electric power production, and will significantly mark the 50th anniversary of the party founding and of national liberation. [end recording]

'Talk' on Three National Reunification Principles

SK0507134395 Pyongyang Korean Central Broadcasting Network in Korean 1135 GMT 4 Jul 95

[Unattributed talk: "The Three Principles for National Reunification Is the Most Just Reunification Program"]

[FBIS Translated Text] With his clarification of the three principles for national reunification of independence, peaceful reunification, and great national unity, the great leader Comrade Kim Il-song provided a basic guiding principle which should be firmly grasped in our nation's struggle for national reunification. The three principles for national reunification constitute our nation's most just program for national reunification which correctly reflects our nation's unanimous demands to reunify the country independently, peacefully, and with the entire nation's united strength and the trend of the present times.

The three principles for national reunification is the nation's common reunification program enjoying the world's recognition, which was agreed upon between the North and the South and which was made public internally and externally through the 4 July North-South joint statement.

The great leader Comrade Kim Il-song has taught: With the publication of the North-South joint statement, the highlight of which is the three principles of independence, peaceful reunification, and great national unity, the three principles for national reunification presented by our party have become the nation's common reunification program that the North and the South jointly confirmed and solemnly declared to the world.

Our country's reunification should be achieved, without fail, on the basis of the three principles of independence, peaceful reunification, and great national unity presented by the great leader [suryong] under any circumstances.

The three principles for national reunification most clearly elucidate the basic principle, direction, and methods of national reunification by correctly reflecting our nation's independent demands and interests, the essence of the struggle for national reunification, and the present realities and conditions of division of our country.

An independent stance is a basic stance that should be firmly adhered to in achieving the cause of national reunification. Our people's struggle for national reunification is, in essence, a struggle to put an end to outside forces' domination and intervention and to achieve the nation's sovereignty.

Our country's division was created not by our nation's will but was forced by outside forces. The question of the country's reunification is our nation's internal problem which should be settled by our nation's own strength. It is also a matter related to our nation's right for self-determination.

No outside forces are eligible to meddle in our country's reunification question nor can they solve the reunification question of Korea instead of our nation.

To realize the nation's reunification, we should thoroughly reject the idea of relying on outside forces and stand on the position of national independence. We should not depend on outside forces — the ringleader of national division — but rely on the nation's independent forces.

Apart from the independent stance, we cannot resolve any issue for national reunification in conformity with our nation's demand and interest. Because of this, the principle of independence works as the basic core in the three principles and as the basic principle for reunification.

Our nation's reunification should be realized in a peaceful way and not through war. It is clear that national reunification, which is designed to link the severed national lifeline and to realize national reconciliation, should not be achieved in such a way as to victimize each other.

Our nation, which is suffering misfortune and disaster owing to the nation's division, has no basis whatsoever to fight against each other in reunifying the divided fatherland.

War is not advantageous to either the North or the South of Korea. We attach great importance to national reunification but do not want to fight against the same people for the sake of reunification. We want to realize a peaceful reunification.

If a war breaks out on the Korean peninsula, aside from national reunification, the existence of the nation itself would be in danger. This is why we always attach the greatest significance to the issue of the nation's peace and are making all possible efforts to resolve this.

The principle of peaceful reunification stipulates for the North and the South to solve the reunification issue peacefully through dialogue and negotiations, not through the exercise of armed forces against the other side.

This is a just and fair principle for national reunification which enables us to achieve the nation's reunification according to the desire and the interest of our people.

It is more important than anything else for achieving the independent and peaceful reunification of the nation to realize the great unity of the whole country. Without the great unity of our nation, we cannot think of the issue of reunifying the nation independently and peacefully.

The great unity of the nation is a basic precondition for the independent and peaceful reunification of the nation, and constitutes the essential content of national reunification. The reunification of the nation is a work for the whole country and is a pannational cause which can be achieved only by the united struggle of the entire Korean people.

The driving force of national reunification is none other than the entire Korean people. The whole nation should be united as one and should strengthen the driving force of reunification. Herein lies the decisive guarantee for national reunification.

For us to achieve national reunification independently and peacefully under our nation's practical situation, in which different ideas and systems exist in the North and the South, we should realize reunification based on great national unity by transcending differences in ideas and systems. This is the only way.

The three principles for national reunification of independence, peaceful reunification, and great national unity are the great chapter for reunification and a common national reunification program. The justness and vitality of these principles were already clearly proved. These principles have been officially acknowledged as the immortal supreme principle for achieving the cause of national reunification.

The cause of national reunification will be realized without fail when we firmly grasp and thoroughly carry to accomplishment the three principles for national reunification.

Today all the people in the North, the South, and overseas are vigorously struggling to achieve the nation's reunification without fail by upholding the great leader Comrade Kim Il-song's lifetime teachings on reunification and by following the wise leadership of the great leader [yongdoja] Comrade Kim Chong-il.

All the Korean people will achieve national reunification without fail by more firmly adhering to the three principles of national reunification, which were provided by the great leader through tireless and sleepless efforts and energy, and by smashing the maneuvers of domestic and foreign divisionists in each step.

Importance of Ideological Idea, Work Stressed

SK0407125895 Pyongyang Korean Central Broadcasting Network in Korean 2240 GMT 3 Jul 95

["Talk" by Doctor and Associate Professor Yi Chae-kon, head of a department of Kim Il-song University; from the "Rays of Chuche" program: "Adhering Basically to Ideology and Placing Ideological Work Above Any Other Work Is a Fundamental Demand in Carrying Out the Socialist Cause" — recorded]

[FBIS Translated Text] In his classic work, "Giving Priority to Ideological Work Is Essential in Carrying Out the Socialist Cause," the great leader [yongdoja] Comrade Kim Chong-il elucidated anew and in depth that adhering basically to ideology and placing ideological work above any other work is a fundamental demand in successfully carrying out the socialist cause.

The great leader Comrade Kim Chong-il noted: To successfully carrying out the socialist cause, we should adhere basically to ideology and place ideological work above any other work.

Adhering basically to ideology and placing ideological work above any other work is imperative to successfully accomplish the socialist cause. This is primarily because no other work is more important than the ideological idea to the working-class party that struggles for the popular masses' independence cause.

In nature, the working-class party is a leading political organization that awakens the popular masses and organizes and mobilizes them to the revolution and construction, with ideology as a weapon. Ideology is the only, but the strongest, weapon that the working-class party has. Therefore, the working-class party must adhere basically to ideology and place ideological work above any other work. By doing so, it can fulfill its duties and mission as a leading political organization that guides the popular masses' independence cause.

As the great leader Comrade Kim Chong-il newly elucidated that ideology is the only, but the strongest, weapon of the working-class party, the most correct way for the party to carry out revolutionary activities in accordance with the demand of its nature has opened.

Adhering basically to ideology and placing ideological work above all is imperative for successfully accomplishing the socialist cause secondarily because, without ideological work, it is impossible to create, maintain, or develop the socialist system.

Without ideological work, the socialist system cannot be born. The capitalist system is an exploiting system, in which class subordination has been converted into capital subordination, and which grows within the boundaries of the feudal society. The socialist system, however, is a new system that is fundamentally different from all exploiting systems and cannot grow in the capitalist society.

The socialist idea is created in reflecting the class demand of the exploited working popular masses, who are struggling against the subjugation of capital; and the socialist system is given birth by the struggle of the popular masses awakened to the socialist idea. The consolidation and development of the socialist system can also be achieved by the guidance of the socialist idea. This is connected with the fact that the socialist society is guided by the socialist idea and develops with the socialist idea as a basic impetus.

The capitalist society is a mammonish society. Different from the capitalist society, the socialist society is developed by the strength of ideology and by the conscientious activities of people armed with the socialist idea. Therefore, the consolidation and development of socialism, as well as its destiny, depend on the way of ideological work and the way of preparing people with ideology.

Only when ideological work is given priority and is constantly intensified, is it possible to guarantee the political and ideological unity of the society, to strengthen and develop socialism-oriented social relations based on the comradely unity and cooperation, and to successfully carry out the socialist economic building.

Only when we harden the socialist ideological position by adhering basically to ideology and pushing vigorously ahead with ideological work, can we make socialism demonstrate invincible might in all fields —

political, economic, cultural, and military. Disregarding ideological work in the course of socialist construction means missing the essence of socialism, and this would eventually bring about the degeneration and collapse of socialism.

Elucidating ideological work afresh and profoundly in his work, the great leader Comrade Kim Chong-il explained in depth that giving priority to ideological work is a fundamental demand in accomplishing the socialist cause.

The ideological work being carried out by the working-class party that struggles for socialism is ideological and theoretical work to deepen and develop the socialist idea in accordance with the demand of the developing times and revolution, and is ideological indoctrination work to arm the popular masses with the socialist idea.

Therefore, the working-class party should strengthen the ideological work to achieve the successful socialist construction. The working-class party should have deep interest in developing the socialist idea in accordance with the changing times and the advancing revolution and construction.

When the working-class party's failure in correctly carrying out ideological and theoretical work results in the degeneration of the socialist idea toward revisionism or its plunge into dogmatism, socialism cannot have a correct guideline, nor can it avoid vicissitudes and frustration.

Socialism went away from its path and capitalism was rehabilitated in some socialist countries in the past because the socialist idea was distorted and degenerated by betrayers of the revolution, who had occupied the leading position of the party and the state. Vicissitudes in the socialist revolution and construction and the frustration of socialism in some countries are results of a lack of and the degeneration of scientific and revolutionary ideas and theories.

The working-class party should also prepare correct leading ideas and theories for accomplishing the socialist cause and should successfully carry out the indoctrination work to arm the people with the prepared leading ideas and theories. By doing so, the working-class party can strengthen the main forces of the socialist society, enhance their role, and vigorously accelerate the revolution and construction.

In the past, some countries, where socialism was being constructed, failed to have due interest in indoctrinating the popular masses and stuck only to economic construction, thus finally destroying socialism and rehabilitating capitalism. The course of collapse of socialism in these countries clearly shows that if a socialist society misses ideology and disregards ideological work, people will be ideologically ill; all socialist things will be degenerated and destroyed; the socialist ideological position will break down; and socialism will finally collapse. At the same time, this also shows how great the role of ideology is and how important the ideological work is in carrying out the socialist cause.

As the great leader Comrade Kim Chong-il elucidated in a profound theoretical and practical way that adhering basically to ideology and placing ideological work above any other work is essential for successfully accomplishing the socialist cause, we came to have a principal guideline that we should firmly adhere to in the whole historic course of accomplishing the socialist cause. This is the great leader Comrade Kim Chong-il's immortal achievement in contributing to the development of theories on the socialist ideological work and to the accomplishment of the chuche socialist cause.

Daily Production Summation System Stressed

SK0407002695 Pyongyang MINJU CHOSON in Korean 6 Jun 95 p 3

[Article by So Kwon-hyok: "The Daily Production and Financial Summation System Is the Mass-Oriented Enterprise Management System of Our Own Style"]

[FBIS Translated Text] Today, when all sectors and units of the national economy are vigorously carrying out the struggle to thoroughly implement the party's revolutionary economic strategies and glorify the 50th founding anniversary of the party as a great victors' festival, we greet the 25th anniversary of the great leader [yongdoja] Comrade Kim Chong-il's presentation of a policy on summing up daily production and finance.

On 6 June 1970, the great leader Comrade Kim Chong-il presented the policy on summing up daily production and finance, brilliantly embodying the chuche-based ideas and theories on economic management.

The great leader Comrade Kim Chong-il noted:

"The daily production and financial summation system is a mass-oriented enterprise management system for the producing masses at each work team to sum up daily production results in connection with production and financial management conditions."

The daily production and financial summation system prepared by the great leader Comrade Kim Chong-il is a new mass-oriented enterprise management system of our own style that enables us to sum up production in connection with management everyday, with work teams — the primary unit of production and management — as basic points, to collectively assess activities of a work team and those of the individual team members, and to constantly improve the economic management based on the masses' creative opinions.

In short, the daily production and financial summation system is characterized by summing-up and assessment of the producing masses' activities that makes it possible to awaken them to the sense of mastership in production and management and to have them greatly display their revolutionary zeal and creative activity. The daily production and financial summation system is summing up the implementation of plans in kind and cash, based on the producing masses' activities. Thereby, the daily production and financial summation system elevates the producers' sense of mastership and responsibility for production and management and foments their strength and wisdom to correctly organize and mobilize the masses to the implementation of revolutionary tasks, thus enabling them to create new miracles and innovation everyday. Herein is the revolutionary nature of the policy on the daily production and financial summation system, as well as its justness, originality, and the source of its vitality.

It is an intrinsic demand of the socialist economic system to manage and steer the economy based on collectivism.

In order to manage and steer the economy in accordance with this demand, it is more important than anything else to encourage the spirit of collectivism among producers and make the spirit be constantly displayed. In the course of summing up daily production and finance, the state of each work team's and individual team member's daily fulfillment of tasks is assessed; in this course, the producing masses can deeply realize that, only when both individuals and all work team members successfully implement assigned tasks for production, can overall tasks assigned to work teams, workshops, and enterprises successfully be implemented. Therefrom, producers are expected to display the virtue of doing their best to overfulfilling their tasks for their own groups and their comrades; and it is also expected that their collectivist spirit will be displayed even more greatly as the daily production and financial summation system is strengthened and developed.

The daily production and financial summation system not only makes the producers display a collectivist spirit but also enables them to fully demonstrate collectivist innovations — mass heroism — in production and management by actively mobilizing the might and wisdom of groups.

In the course of implementing economic tasks by producing masses, problems concerning production and implementation of conservation tasks; the issue of raising the rate of operation of facilities; the issue of technological innovations and rationalization of creative designs; the issue of improving production methods, and various other problems are to be raised. To comprehensively resolve these problems, work teams will concretely organize division of labor and based on this, the summation work will be carried out. As the result, the producers will present a number of bold and excellent technological innovation plans and creative opinions, and these plans and opinions will be turned into gigantic material strength.

It is an important demand of the daily production and financial summation system to make the producer masses fulfill their responsibility and role as the masters of production and management.

For us to make the producer masses fulfill their responsibility and role of the masters of production and management, it is important to enable them to participate in business management directly, daily and comprehensively. The daily production and financial summation system enables the producer masses to directly participate in business management and in discussion of problems through the system of taking charge of work by each domain. The daily production and financial summation system is being implemented with the work team as a basic unit. Therefore, the system enables the producer masses to participate in business management regularly and to become normal managers [chongsangchogin kwallija]. Besides, the daily production and financial summation system makes the producer masses participate not only in a particular sector of business management activities but also in the entire course of business management, ranging from planning, facilities management, material management, labor power management and financial management, thus enabling them to keenly understand all problems concerning overall business management and operation. In this course, the producer masses will learn the work method worthy of masters and excellent management and operation methods. As the result, they will be able to better play the role of masters responsible for business management and for the nation's house- keeping.

Another important demand in the daily production and financial summation system is to thoroughly ensure the principle and effectiveness in the domains of production and management, and to expedite the standardization of these domains.

The daily production and financial summation system precisely gives the planned tasks to work teams and to members of each work team, and reviews the implementation status every day. As the result, the principle in planning the works is thoroughly established. In addition, production summation and financial summation are to be carried out in close combination with each other. Thus, the demand for unified planning and detailed planning will be precisely implemented from the basic unit, and satisfactory implementation of national economic plans in the work sites and enterprises will be thoroughly guaranteed.

The daily production and financial summation system makes it possible to determine the scale and motive of profit and loss experienced by the state due to work teams and individual members of each work team, and makes it possible to give them the appropriate political, moral, and material stimulation. Accordingly, the system enables all producers to work, placing the state and the people's interests above all, as well as makes efforts to improve quality indices. The system also makes it possible to establish the trait that all producers struggle to achieve greater economic results with small expenditures, giving priority to economic calculation in the course of summing up the fulfillment of daily production and savings assignments.

The daily production and financial summation system also enables the producing masses to work regularly; guarantees unity in managing and operating work teams in accordance with the demand of management rules and regulations; and enables not only work teams but also workshops and enterprises to vigorously accelerate the regularization of economic management as these results are expanded.

This proves that the daily production and financial summation system is a creative and excellent mass-oriented enterprise management system of our own style that has generally embodied the demand of the Taean work system.

All sectors and units of the national economy have completely systemized and constantly intensified the daily production and financial summation system, thus achieving great progress in accelerating production and construction. By intensifying and developing the daily production and financial summation system in accordance with the demand of the developing reality, over the past five years the Chongjin Tractor Parts Plant, in order to produce tractor parts, collected more than 1,300 tonnes of scrap iron and some 800 tonnes of scrap cast iron, including the bent axles and cylinders of more than 6,000 tractors, and sent them to rural areas, thus generating much profit for the state.

The practice of our country's socialist economic management and economic construction clearly proves that the daily production and financial summing-up policy presented by the great leader Comrade Kim Chong-il is a creative policy that makes it possible to manage and steer the economy in conformity with the nature of the socialist society and proves it is a great policy whose justness and vitality have vigorously been demonstrated.

It is an important task of plants and enterprises in all sectors of the national economy to further strengthen, intensify, and develop the daily production and financial summation system whose superiority and vitality have been proven through practice.

Plants and enterprises should devote all their strength and wisdom to accomplish this year's national economic plans no later than 10 October, instigating the upsurged zeal of the producing masses by correctly conducting daily production and financial summations in connection with the goals established with their determination to greet the 50th founding anniversary of the party with great political zeal and brilliant labor feats.

All functionaries and working people should resolutely protect, adhere to, and thoroughly implement chuche-based economic management policies, including the creative daily production and financial summing-up policy presented by the great leader Comrade Kim Chong- il, in order to achieve more, better, and faster production and construction by using existing material, facilities, and labor. By doing so, they should actively contribute to strengthening the national economic might, remarkably improving the people's standard of living, and displaying even more greatly the superiority of our own style of socialism.

South Korea

Official on KEDO Operation, Inspection Team

SK0607105495 Seoul YONHAP in English
1046 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The Korean Peninsula Energy Development Organization (KEDO) will be put into full operation either [in] late July or early August, Choe Tong-chin, chief of South Korea's office of the planning for the light-water reactor project, said Thursday.

While meeting with reporters, Choe said the full-fledged operation of the KEDO is the most important task at the moment.

"KEDO executive meeting will study the selection of a secretary-general and deputy secretaries-general," Choe said, adding that the KEDO will have its office in New York.

On the question of sending a site inspection team to North Korea, Choe said no decision has been made yet on the composition of a site inspection team or time of its dispatch because the KEDO Secretariat is yet to be in proper order.

He said the KEDO, however, plans to send about 10 South Korean, U.S. and Japanese experts to North Korea to inspect the candidate site of the light-water reactors at the soonest possible date.

The site inspection will be conducted under the responsibility of the KEDO, Choe said, adding that the KEDO's position is that there needs [to be] a service firm to administratively support the site inspection team.

"Such a service firm would be selected from among American industries for service on a short-term basis," he said.

Choe also said that his government saw to it that the contract term of a program coordinator would be made one to two years as a means of preventing the possibility of a selected program coordinator working against the national interests of South Korea.

Official Comments on Relocating Pusan Army Base

SK0607090795 Seoul YONHAP in English
0850 GMT 6 Jul 95

[Report by Katherine Kim]

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — Amid growing protests by local citizens concerning the U.S. Army's Camp Hialeah in Pusan, a U.S. Forces in Korea (USFK) official confirmed Thursday a statement by a Hialeah deputy installation officer, in an article from Tuesday's edition of the STARS AND STRIPES, that said that the USFK would leave the premises if another site is provided for them.

Sgt. William Woolford from the Public Affairs Office (PAO) at Yongsan Garrison said that Lt. Col. Ed Dillon, of Camp Hialeah, stated in an interview with the military newspaper, "If they give us another location, we'll move tomorrow."

Dillon added, "But this is something that must be determined on the national level."

The STARS AND STRIPES article stated that, "Under the SOFA [Status of Forces Agreement] South Korea must provide a replacement for any U.S. base that is returned."

Technically, this issue should be taken up under the Status of Forces Agreement (SOFA). But once again, there appears to be a loophole in the controversial treaty.

But Woolford said Thursday in a statement that the STARS AND STRIPES' comment regarding the provision of a replacement site is "not entirely true." But he did verify that Article 2, Paragraph 2 states that if property is returned to Korea, then additional facilities and areas may be provided.

The USFK spokesman also attested that since Camp Hialeah "serves as a critical hub in support of our mutual defense of Korea," and "it is still needed for the stationing of forces," that replacement facilities "will need to be provided to allow USFK to continue its mission to defend the Republic of Korea."

But there doesn't seem to be any dispute resulting from the nebulous phrasing of the pact. Kim Wook, at the North America division at the Ministry of Foreign Affairs (MOFA), who is in charge of SOFA-related issues, asserted that the Korean Government is responsible for providing a replacement location, citing a different clause.

Kim said that Article 2, Paragraph 1, states that "the United States is granted, under Article 4 of the Mutual Defense Treaty, the use of facilities and areas in the Republic of Korea."

Therefore, he claimed, though the return of facilities in exchange for another site is not specifically addressed in SOFA, in principle, the Republic of Korea has to provide the USFK with area and facilities.

"Even though we are not obliged," the MOFA spokesman continued, "the USFK is not withdrawing from Korea, so we must provide certain areas for accommodation. [no closing quotation mark as received]

The issue has been a hot topic for several years, and has been recently reignited when President Kim Yong-sam promised to try to retrieve the land to build an athletes' village for the 2002 Asian Games in Pusan.

Last Saturday, over 1,000 citizens from Pusan and 24 civic groups joined to stage a non-violent rally outside Hialeah's gates, claiming they wanted to transform the area into a public park.

Kim says that discussions regarding the transfer and relocation are in the works, and have been for several years. "Consultations are now being held under the facilities and areas subcommittees, by both the USFK and Korean authorities concerned," he verified.

However, he added that the delay is due to the financial burden imposed upon the Korean Government. The City Council in Pusan is questioning who will assume the high costs to replace Hialeah.

Camp Hialeah has been used by the USFK as an Army installation since Korea's liberation from Japanese colonial rule in 1945.

In a similar development, Kim cited the June, 1990 decision to move Yongsan Garrison in Seoul to another location within the Seoul vicinity.

"At that time," the MOFA spokesman explained, "the Korean Government agreed to provide another lot which will replace Yongsan Camp."

The scheduled date of completion was set for the end of 1996, but Kim says that the target date is unrealistic.

"We are still in the process of implementing this agreement, but in actuality," he noted, "since we cannot support the financial burden, the project should be postponed or cancelled."

Russian Press Reports on Kim Il-song Embalming

SK0607031895 Seoul CHOSON ILBO in Korean 6 Jul 95 p 2

[Moscow, YONHAP]

[FBIS Translated Text] On 5 July, the Russian weekly MOSKOVSKIYE NOVOSTI reported in its latest issue that a Russian medical team has completed the $1 million embalming of Kim Il-song's body and that North Korea is expected to officially disclose it for public view on 8 July, the first anniversary of Kim Il-song's death. The weekly also reported that a helicopter carrying a team of Russian doctors that was hastily dispatched to Myohyangsan guest house, where Kim Il-song was in critical condition before his death, crashed due to bad weather and that the helicopter pilot was sentenced to death. A gist of the weekly's article follows:

At the time of Kim Il-song's death, doctors from Section 4 of the former Soviet Union's Public Health Ministry (which used to provide medical treatment for senior cadres of the Communist Party and senior government officials of the former Soviet Union) happened to be in North Korea on vacation. One of them is known to have been an internist and another an anatomical pathologist specializing in necrotomy. Their sojourn in North Korea apparently was not mere coincidence.

This is because these two Russian doctors from the Lenin Medical Institute are the only two medical specialists in the world capable of performing necropsy before conducting a full-fledged embalming. The Lenin Medical Institute has sent shifts of seven-member medical teams to Pyongyang since August last year to embalm Kim Il-song's body.

The embalming costs about $300,000. This is the initial cost of embalming. Additional costs for the continuous preservation of the body and for the bullet-proof glass casket are accrued. The initial stage of embalming lasts for six months, and follow-up embalming needs to be conducted once a week thereafter on the exposed skin. In addition to this, the entire body should be embalmed for several months once every two years so as to preserve the body completely. It has been learned that the embalming of Kim Il-song's body will cost about $1 million. Kim Il-song's death has alleviated the Lenin Medical Institute's financial difficulties.

'Inconsistent' Reaction to Flag Incident Cited

SK0507120795 Seoul HANGYORE SINMUN in Korean 5 Jul 95 p 5

[By commentator Yi Won-sop from the "Morning Ray" column]

[FBIS Translated Text] The Sea Apex ship, which returned after unloading rice for the first time in North Korea, was forced by North Korea to hoist the "People's Republic flag" at Chongjin Port. The repercussions caused by the incident explicitly show the delicate and weak structure of North-South relations. One unexpected negative factor shakes the entire ground. After only part of the incident was made public, conservatives dominated public opinion. Some extremely enraged people even said that it was no different from hoisting the People's Republic flag on the capitol building in Seoul, suggesting the cancellation of the rice agreement.

As if influenced by the public opinion, the ROK Government announced that it would suspend the rice supply if North Korean authorities did not make an official apology and promise to prevent such an incident from recurring. Fortunately, North Korea sent an apology in the name of Chon Kum-chol, adviser to the North Korean Committee for the Promotion of External Economic Cooperation, and promised such incidents would not recur. This untied the knot, but North-South relations were almost drawn back farther than before the rice agreement. Had the rice agreement been broken, the series of upcoming North-South dialogues, including discussions on the site selection for the light-water reactors, full-fledged economic cooperation, additional rice supplies, and North-South summit talks, would obviously have been stalled again. Such a delicate issue must be handled cautiously. To ensure no more unnecessary conflict remains, circumstances should be reviewed in detail.

What the representatives of the South and the North verbally agreed to in Beijing was that the national flags should be lowered at the point where the South Korean ship was guided by the North Korean side into the North Korean port. According to international norms, when a ship is sailing in foreign territorial waters, it should hoist its national flag on its stern and the foreign country's flag on the central mast. Considering the special North-South relations, the Beijing talks agreed not to hoist either national flag. The agreement could be interpreted as a political consideration for the expected shock to North Korean society by the entrance of a ship bearing the ROK's Taeguk flag. However, the agreement was not conveyed to the ROK ship. The captain of Sea Apex hoisted the People's Republic flag delivered by the North Korean pilot on the central mast and approached the inner port of Chongjin, following the international norm. When the North Korean authorities asked him to lower the Taeguk flag on the stern, he reportedly insisted on the international norm. It is criticized that the ROK Government was too hasty in sending the ship to create favorable conditions for the local elections and neglected the sensitive point.

The ROK's mistake, of course, does not mitigate North Korea's fault. North Korea apologized, saying "it was regrettable that the unfortunate incident took place due to operational mistakes by lower-level officials." However, we would not know if the Chongjin Port official, who forced the hoisting of the People's Republic flag, was really unaware of the agreement or did it intentionally because of the influence of North Korean conservative forces. We only know that the chief of Chongjin Port demanded the ship with the People's Republic flag on the center and the Taeguk flag on the stern lower the Taeguk flag. After hours of argument, the stern flag was lowered at sunset, and, feeling threatened, the captain unloaded the rice the next day with only the People's Republic flag on his ship. According to reports, it was only when the ship finished unloading and was ready to return that a section chief of Korea Samcholli General Company hurriedly came to apologize, saying that he just received the contents of the agreement. Had the captain been fully aware of the agreement, he would not have so obediently hoisted the People's Republic flag on the central mast. Even though the outcome would have been similar, it is different from having been coerced into lowering the Taeguk flag and hoisting the People's Republic flag instead.

The ROK Government's inconsistent reactions after the incident was made public were even more inexplicable. The government immediately protested the incident as a breach of the agreement, and when North Korea sent an apology in the name of Korea Samcholli General Company, it was accepted. However, after a few hours, the government policy took on an ultra-hard tone and the government called back other rice ships heading to North Korea. Eventually, North Korea apologized again the next day and the ultra-hard policy seemed successful. However, the aftermath is intricate. Was the incident so pressing as to nullify the hard-won rice agreement and the appeased situation of the North and the South?

Issues concerning North-South relations can easily be returned to the starting point if government policies lack consistency, no matter what the reason. The ROK Government lost the local elections, which serve as an interim evaluation, and the public is alienated from the government due to a series of disasters. We are concerned about the government being inclined to listen to conservatives and hard-line public opinions. We are also concerned that the government would ruin everything in its hasty efforts to seek a breakthrough in North-South relations.

NUB Approves Technicians' Visit To DPRK

SK0607033795 Seoul YONHAP in English 0300 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The National Unification Board (NUB) on Thursday [6 July] gave the green light to Daewoo Corp.'s plan to send 13 technicians to North Korea's Nampo Industrial Complex in connection with a company project.

If realized, the visit will be the first involving technicians since the war ended between the two countries.

With the government's approval, the 13 technicians will soon visit the North to train North Korean workers to operate plant facilities and to produce goods in preparation for full-fledged operations of the joint-venture plants in Nampo.

Daewoo Corp. was authorized by the government last May to invest 5,120,000 U.S. dollars in North Korea for its three joint venture projects there — manufacturing jackets, bags, shirts and blouses.

Six of the 13 Daewoo officials including the company's technical managing director Sin Hong-cho will stay in the North for 60 days while the remaining seven will stay on in the North for about a year. The seven technicians will be free to travel between South and North Korea during the period, for business consultations, NUB officials said.

Kim Kyong-ung, NUB spokesman, said, "Now that we approved the first visit by technicians to the North, a foundation has been laid for the possible signing of an investment guarantee agreement as well as a double taxation avoidance agreement between Seoul and Pyongyang. So we are expecting that inter-Korean economic cooperation may be expanded in the near future."

The recent rice supply to the North and this visit by technicians, he added, should help promote overall inter-Korean relations.

Seoul To Lend 8.11 Billion Won to Indonesia

SK0407064895 Seoul YONHAP in English 0604 GMT 4 Jul 95

[FBIS Transcribed Text] Seoul, July 4 (YONHAP) — South Korea and Indonesia on Wednesday [5 July] will exchange notes concerning the Economic Development Cooperation Fund's loan to Indonesia that will help the Southeast Asian country to set up a vocational school and buy teaching aids, a Foreign Ministry spokesman said Tuesday.

South Korean Ambassador to Indonesia Min Hyong-ki and Deputy Minister for Economic Affairs at the Indonesian Foreign Ministry Soemadi Brotodiningrat [spelling of name as received] will exchange the notes, he said.

The notes stipulate that South Korea will provide 8.11 billion won to Indonesia in order for the country to improve its vocational educational system.

The 3.5 percent annual interest rate loan will be repaid in 25 years, and includes a seven-year grace period.

Nelson Mandela Arrives for 3-Day Visit

SK0607054995 Seoul YONHAP in English 0534 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — South African President Nelson Mandela along with a 15 member entourage, which includes South African Foreign Minister Alfred Nzo, arrived in Seoul for a three-day visit Thursday [6 July] afternoon at the invitation of President Kim Yong-sam.

Mandela is scheduled to visit the National Cemetery and receive an honorary doctoral degree from Seoul National University before attending an informal dinner hosted by Prime Minister Yi Hong-ku later in the day.

A summit meeting between South Korean President Kim Yong-sam and Mandela will be held on Friday morning at the Chongwadae [presidential offices] presidential mansion.

The two heads of state are expected to exchange views on their struggles to achieve democracy as well as on political reform, in addition to discussing various pending issues between the two nations, like ways to improve bilateral economic cooperation.

The two leaders plan to hold a joint press conference on Friday morning to announce the results of their summit meeting.

President Mandela is then scheduled to attend a luncheon hosted jointly by chiefs of economic organizations here before meeting President Kim again at a welcoming dinner hosted by the Korean president.

Mandela will visit the National Assembly on Saturday morning to meet with parliamentary leaders, including Speaker Hwang Nak-chu, and deliver a speech to the National Assembly.

Mandela is scheduled to leave the country Saturday afternoon.

Visit To Boost Economic Ties

SK0607034995 Seoul THE KOREA TIMES in English 6 Jul 95 p 8

[By staff reporter No Chun-hun]

[FBIS Transcribed Text] The Seoul visit by South African President Nelson Mandela is certain to boost the economic relationship between Seoul and Pretoria, especially in small industry.

Korea has been making keen efforts to promote cooperation with the African country and the visit, made ahead of those to other leading countries, signals South Africa's desire to reciprocate.

While South Africa is going through a stage of economic development in the aftermath of rapid democratization, the nation is in dire need of foreign investment and Korean companies are hurrying to establish a strong foothold.

Accordingly, officials of the Ministry of Trade, Industry and Energy [MOTIE] said, it is meaningful that three agreements on boosting economic ties between the two countries will be signed by Presidents Kim Yong-sam and Nelson Mandela and their trade ministers during the three-day visit beginning today.

The first two are investment guarantee and double taxation avoidance agreements that will be signed by Kim and Mandela and the third is a memorandum of understanding (MOU) on cooperation between small businesses that will be concluded by MOTIE Minister Pak Chae-yun and Trevor Manuel, South Africa's minister of trade and industry.

Not only will the agreements expedite cross-investment between Seoul and Pretoria, the MOU will certainly result in closer working relations between small firms of the two countries which established diplomatic relations in 1992.

Under the MOU, the Small and Medium Industry Promotion Corp. of Korea and the Small Business

Agency of South Africa will act as windows for joint ventures and greater volumes of trade.

The MOTIE officials said while Korean companies can take advantage of South Africa's rich natural resources, South African companies will be able to gain from the high technologies developed by Korean firms in fields including automobiles and electronics.

In an effort to expedite such working relationships, a delegation of the Korea Chamber of Commerce and Industry visited South Africa at the end of May to explore business opportunities.

According to Kim Chin, director of MOTIE's Africa and Middle East Division, who was part of the delegation, South Africa has huge potential in a number of industries and the particular characteristics of the economies of the two countries make them exceptionally complementary.

"Conditions in South Africa are largely stable and the ambitious Redevelopment Program (RDP), pushed aggressively by Mandela, has been especially successful," Kim said.

South Africa, with a population of just over 40 million on an area of 1.23 million square kilometers, posted a GDP of 111.9 billion dollars for a per capita GDP of 2,748 dollars last year.

Kim said one of the concerns of the South African government is the high rate of unemployment, approaching nearly 40 percent, and it is most eager to attract manufacturing investments which can generate jobs.

"Owing to the importance of South Africa to the regional economy, with Pretoria providing 80 percent of goods and services needed in neighboring countries, countries around the world are extremely interested in moving into the country," Kim noted.

He said the Korean government has expressed its willingness to provide long-term soft loans but the truth of the matter is that there are many advanced countries which are prepared to offer South Africa interest-free loans.

'Purchase Scam' at Embassy in Madrid Probed

SK0607042895 Seoul YONHAP in English
0310 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The Ministry of Foreign Affairs is investigating allegations that its mission in Madrid, Spain, procured its new embassy site three years ago at double the normal price because of an alleged purchase scam, a ministry spokesman said Thursday.

Assistant Minister for Planning and Management Kim Hang-kyong said that the embassy bought the 484 pyong (one pyong equals 3.3 square meters) of land at 425 million pesetas (about 4 million U.S. dollars) in February 1992, based on the property's appraised value of 475 million-500 million pesetas at the time of the purchase.

However, recent surveys of the property completed by two other appraisal agencies in Madrid valued the land at 228 million pesetas and 260 pesetas, respectively, according to Kim, who added that the ministry ordered the new appraisals immediately after the ministry received reports last May about a land purchasing scam, according to Kim.

The ministry is trying to determine what caused the discrepancies in the appraisal values between 1992 and 1995, Kim said. "The ministry is determined to find any wrongdoings involved in the land purchase case, focusing on whether the embassy was swindled at the time of the purchase or any wrongdoings were involved."

Kim said that the Foreign Ministry ordered the South Korean Embassy in Madrid to locate the appraisal agency which conducted its survey of the land in 1992 so the agency could explain its evaluation.

The ministry is also interrogating ministry officials who worked at the Madrid Embassy in 1992, according to Kim.

A special team will also fly to Madrid to investigate the case, he said.

The case was brought to light due mainly to conflicts between a South Korean builder and one of its subcontractors, Kim said.

A woman subcontractor, a Korean resident in Madrid, brought the case to the ministry when the South Korean builder based in Seoul ended a contract with her, probably out of a conflict of interests between the two companies, according to Kim.

Former South Korean Ambassador to Madrid Chang Myong-kwan initialed the contract to purchase the land in August 1991, and his successor Kwon Tae-ung signed the contract in February the following year.

The South Korean Embassy in Madrid is currently headed by Ambassador Cho Kwang-che.

Foreign Minister on Role of United Nations

SK0507010395 Seoul THE KOREA TIMES in English (Supplement) 5 Jul 95 p 2

["Excerpts" of a speech by Foreign Minister Kong No-myung at a seminar in Seoul on 12 June entitled "The Rise of East Asia and the United Nations"]

[FBIS Transcribed Text] It is a pleasure and honor for me to speak before such a select audience on a most timely topic of "the United Nations and Korea." I would like to thank Chairman Kim Kyong-won and members of the Korean National Committee for the 50th anniversary of the United Nations for organizing the seminar. I would also like to express my special thanks to the participants of the International Institute for Strategic Studies (IISS) for co-hosting this forum. I heartily welcome all of you, especially those who have come a long way from abroad.

This year bears great significance for the United Nations not only because we celebrate the 50th anniversary of its founding but also because the United Nations now stands at a critical crossroads to seek an expanded role in post-Cold War era.

The United Nations was born amid hopes for a lasting peace in the wake of horrendous two world wars. The hopes for enduring peace, however, were soon replaced by disenchantment and frustration as the Cold War set in between the East and the West. The UN's role in maintaining international peace was, by and large, ineffective during the Cold War era, and its successes were mostly confined to those few cases where the interests of the two superpowers were not in direct conflict.

Over the past decade, however, the international situation has changed drastically. Indeed, we have been witnessing a sea change in international relations. Here I believe there are two contradictory trends which mark this global change. One trend is that nations are working toward regional integration so as to realize wider and more effective cooperation among them. Trade barriers are breaking down, and national frontiers are increasingly blurred thanks to advanced communications and enhanced global commerce. The prevailing idea is that the free flow of people and goods makes nations more prosperous and increase the well-being of their people. To that end, nations are even willing to yield some sovereign prerogatives. The most outstanding example of this is the European Union.

The other trend is what is taking place, most typically, in former Yugoslavia. The cohesion of the state was torn apart by fierce new assertions of nationalism and sovereignty. Ethnic, religious, social, cultural, and linguistic animosities have led to brutal armed conflicts, which continue to date, killing enormous numbers of innocent people and devastating the now partitioned country.

Those challenges to international security demand that the United Nations enlarge its role. In this regard, this year should not become merely an occasion for celebration of the 50th anniversary of the United Nations. We believe it should serve as a valuable opportunity for the United Nations to reflect on its past successes and failures and to search for a new future course.

With the end of the Cold War fostering a favorable atmosphere, our diplomatic initiatives enabled us to become a member of the United Nations in a simultaneous entry with North Korea in 1991.

Our admission to the United Nations was a historic event which opened a new horizon for our diplomacy. It gave us the long-awaited opportunity to increase our contribution to the international society on the strength of our hard-earned economic capability. It carries special significance for us, especially when we look back on our past experience as having been an outsider or an aid recipient of the United Nations.

Since our admission, we have consistently sought to participate actively and effectively in the UN's many activities, especially in peace-keeping operations. We are now engaged in MINURSO [UN Mission for the Referendum in Western Sahara] in Western Sahara, UNOMIG [UN Observer Mission in Georgia] in Georgia and UNMOGIP [UN Military Observer Group in India and Pakistan] in Kashmir. The first dispatch of 250 engineering troops have returned after successfully completing their mission in Somalia for UNOSOM [UN Operations in Somalia], and we are currently considering another dispatch of engineering troops to Angola for UNAVEM [UN Angola Verification Mission].

Our government also notified the United Nations last April of our decision to commit some 800 personnel in the UN Stand-by Arrangements designed to facilitate the rapid deployment of peace-keeping forces to disputed areas.

Our financial contributions to the United Nations rank 17th in terms of amount and are expected to rise further in the years ahead. Our steady efforts to play an active role in the UN activities have been acknowledged by other UN members and accordingly reflected in our election to the membership of 24 UN Commissions and other various UN bodies.

Development has been another area of great interest to us. Our readiness to contribute in this area is clearly stated by President Kim Yong-sam in his speech at the UN World Summit for Social Development last March. In this speech, President Kim made a pledge to the world community to increase our Official Development Assistance (ODA) substantially to such a level as to match our economic capacity. He also made a commitment to expand our assistance programs for the development of human resources in developing countries to cover more than 30,000 personnel by the year 2010.

With a view to making enhanced contribution toward international peace and security, the Republic of Korea has presented its candidature to the membership of the UN Security Council for the term of 1996-7. With the endorsement of the Asian Group of the United Nation last month, we are very close to becoming a member of this important organ of the United Nations.

I believe we are now in the midst of establishing a new world order in the wake of the epochal event of the collapse of the Soviet Union and the subsequent end of the Cold War. The changing international environment compels, among other things, the restructuring of the United Nations. The newly evolving international order offers both challenges and opportunities.

Secretary General Butrus Butrus-Ghali has presented two important reports, called "An Agenda for Peace" and "An Agenda for Development."

As these two reports clearly illustrate, the tasks of the United Nations are vastly increasingly in the post-Cold War era. And it goes without saying that these increasing tasks cannot be fulfilled by the United Nations without adequate financial backing and organizational restructuring.

In this regard, I would like to highlight that the Republic of Korea welcomes the strengthening of the UN's role in the post-Cold War era. The Korean government is prepared to continue to increase our financial contribution to the United Nation commensurate with its economic capability to help the UN's expanding role.

In line with our government's policy of "globalization," which seeks to enhance the international efforts to tackle the issues of common concern to mankind, we will continue to broaden our efforts to assist UN endeavors in such areas as the environment, population, development, human rights and refugees.

Former Presidents Cleared of Insurrection Charge

SK0607091695 Seoul YONHAP in English
0723 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The prosecution investigating the May 18, 1980, Kwangju uprising has cleared former Presidents Chon Tu-hwan and No Tae-u of suspicion they waged an insurrection at the time of suppressing the democratization movement.

The prosecution plans to announce the findings of its investigation into the uprising by the end of this weekend.

A prosecution official said Thursday, "The key constituent element of an insurrection is whether there was a riot aimed at disrupting the national Constitution, and above all an intent to usurp power has to be verified... As a result of a comprehensive probe into the case, we have concluded that charges of insurrection do not apply to this particular case."

In a joint lawsuit filed in May last year, 322 complainants headed by the "national council for upkeeping the spirit of Kwangju resistance" charged 35 leaders of the then military elite group headed by Gens. Chon Tu-hwan and No Tae-u with "insurrection and homicide aimed to achieve insurrection."

"We have concluded that the military elite group did not intend to usurp power," the official added. "No punishment can be given to an act devoid of intent."

The statute of limitations for legal action on the Kwangju uprising runs out Aug. 15, or 15 years after the date when then President Choe Kyu-ha stepped down, the prosecution said. Choe resigned the presidency on Aug. 16, 1980.

Prosecutors To Arrest Mun Ik-hwan's Widow

SK0607020295 Seoul YONHAP in English
0117 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The Supreme Public Prosecutor's Office said on Thursday it will arrest Pak Yong- kil, 75, wife of the late Rev. Mun Ik-hwan, and Chong Kyong-mo, a critic residing in Japan, on charges they violated the National Security Law as soon as they return from their illegal visit to North Korea.

The prosecution said what Pak did and said in North Korea clearly amounted to "praise and encouragement for anti-state organizations," which is specifically prohibited by the National Security Law, and so it is inevitable that she must be punished for violating the law.

Pak visited Pyongyang on June 28 via Beijing to attend a ceremony scheduled for July 8 which will commemorate the first anniversary of the late North Korean leader Kim Il-song's death.

Pak's late husband Rev. Mun also visited North Korea in March 1989, without approval of the government, saying that he would help the unification of South and North Korea to be realized. Rev. Mun died on Jan. 18, 1994.

The prosecution said, "We plan to arrest Pak for violating the National Security Law, not the law governing exchanges and cooperation between the South and North. As she laid wreaths at the bronze statue of Kim Il-song she said, 'I lay the wreaths with admiration for President Kim Il-song,' remarks which amount to praise for the enemy, a clear violation of the National Security Law."

Further DLP Reaction to Local Elections

Secretaries Tender Resignations

SK0607024395 Seoul CHUNGANG ILBO in Korean 6 Jul 95 p 1

[By Kim Tu-u]

[FBIS Translated Text] It was learned that on 5 July, all the senior secretaries at Chongwadae [presidential offices] conveyed their intention to resign to President Kim Yong-sam through Chief Secretary Han Sung-su. While President Kim's reaction was not immediately known, he is thought to have reaffirmed his confidence in them and to have called on them to regroup their efforts.

This morning, Chongwadae held an emergency meeting of senior secretaries presided over by Chief Secretary Han and exchanged views on reshuffling senior secretaries in the aftermath of the 27 June local election results. Meeting participants agreed that "it would not look good if the senior secretaries to the president were to submit resignations en masse," and agreed to voice their intention to resign through Chief Secretary Han.

A senior secretary who attended the meeting revealed: "The issue of submitting resignations en masse was discussed at the meeting, but we agreed to voice our intentions, and to follow President Kim's decision."

Yi Man-sop Urges Party Reform

SK0507060695 Seoul YONHAP in English 0551 GMT 5 Jul 95

[FBIS Transcribed Text] Seoul, July 5 (YONHAP) — Former National Assembly Speaker Yi Man-sop on Wednesday [5 July] called for a drastic renovation of the ruling Democratic Liberal Party [DLP], harshly criticizing the party for its poor leadership of the national administration.

An advisor of the government party, Rep. Yi made the urging at the close of the DLP caucus Wednesday morning, the first of its kind since the June 27 local elections, when the party leaders attempted to end the caucus after only hearing greetings from Chairman Yi Chun-ku, the outgoing and incoming secretary-generals and the newly-appointed state minister for political affairs.

Yi told the caucus, "Because the ruling party has acquiesced to the administration and averted public sentiments, a political upheaval took place in the local elections in which the opposition parties gained more posts than the ruling party... In order for the ruling party lawmakers to get elected in the forthcoming general elections, we should launch a substantial party renovation strategy aimed at democratic management of the party."

On the way of national administration, Yi said, "Changes and reforms are admirable, but they should be carried out with the spontaneous participation of the public. Could a reform be achieved when the administration wields a sword and makes the citizens tremble in fear?"

Touching on the outcome of the local elections, the former National Assembly speaker opined that the three Kims (President Kim Yong-sam, former opposition Democratic Party leader Kim Tae-chung and United Liberal Democratic President Kim Chong-pil) have emerged as prominent "not on account of their own merits, but because the ruling party failed to assess public sentiments correctly."

"The ruling party should stand not on the side of the government, but on the side of the people," Yi added.

Kim Yun-hwan Proposes Election System Changes

SK0607042495 Seoul YONHAP in English 0249 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — Kim Yun-hwan, secretary-general of the ruling Democratic Liberal Party (DLP), voiced the need Thursday to change the present parliamentary election system as a means to prevent the resurgence of regional rivalries.

Kim told reporters at the National Assembly that the present election system should be changed in view of "various political issues" hinting at the possibility that the DLP will seek to enlarge the present election system of "small constituencies," where only one lawmaker is elected from each district.

If an election system is enlarged and a "medium or large constituency" system is adopted, two to three lawmakers would be elected from each district.

Kim said, however, that he does not mean to change the system for the forthcoming parliamentary election next year.

He asserted that DLP Chairman Yi Chun-ku's speech before the National Assembly plenary session concerning the revision of eletoral districts was intended to solve the problem of regional rivalries which reemerged during the June 27 local elections.

Election Law Revision Expected

SK0207071595 Seoul YONHAP in English 0701 GMT 2 Jul 95

[FBIS Transcribed Text] Seoul, July 2 (YONHAP) — The consolidated Election Law, that was applied to last week's local elections for the first time, is expected to be revised in the upcoming regular National Assembly session opening in September to rectify its defects.

Officials of the ruling and opposition parties and the Central Election Management Commission (CEMC) mentioned Sunday [2 July] plans to amend the Election Law during the regular parliamentary sitting with a view to enforcing an amended Election Law in the general elections slated for April next year.

They shared a view that the Election Law's provisions concerning voluntary workers have to be modified with respect to their recruitment, training and services.

Banned remunerations to volunteers led some candidates to hire voluntary workers by offering them returns under the table, a CEMC official pointed out, adding that it is necessary to so amend the Election Law as to allow candidates to provide them with lunch during their training and working period.

The election watchdog also considers that too many exceptions are recognized for electioneering expenses under the consolidated Election Law, rendering its primary aim of ensuring inexpensive elections meaningless. The CEMC, accordingly, plans to include the election office's operational and maintenance expenses in electioneering expenditures in the proposed revision of the Election Law.

But this plan is likely to clash with the interests of the political parties.

DLP, DP Heads Address National Assembly

DLP To Pursue Reforms

SK0507042595 Seoul YONHAP in English 0231 GMT 5 Jul 95

[FBIS Transcribed Text] Seoul, July 5 (YONHAP) — Ruling Democratic Liberal Party (DLP) Chairman Yi Chun-ku declared his party would continue to pursue reforms in line with the national consensus, making its defeat in the recent local elections a turning point for its political reform program.

Delivering a speech on policy in the 176th special National Assembly session Wednesday, Yi admitted that "the heart of the people has parted with" his party as seen in the local elections and he then pledged that the ruling party would reexamine itself after the election setback, however painful it may be, and that it would do its utmost to reform the party into one which could win the people's confidence again.

The DLP will not spare any effort to help the local autonomous system firmly take hold, transcending partisan interests, because the people do not want such interests to interfere in local government, he said.

To overcome the regional rivalries which have emerged from the local elections, there must be a cooperative and harmonious relationship between the central and local governments and this relationship must be established on the basis of firm political principles, Yi stressed.

To this end, the central government should delegate many of its powers to local bodies, while at the same time develop its abilities to arbitrate disputes between the central and local governments and to seek tax reforms that would increase the financial independence of local governments.

On the collapse of the Sampoong Department Store, Yi said his party would do its best to prevent similar disasters from occurring in the future and proposed a new cabinet-level safety control office, a disaster management law and a joint government-private construction industry reform committee.

Yi opposed the cabinet system of government which some opposition politicians proposed during the local elections, saying the introduction of cabinet system in less than 10 years since the current presidential system took hold would only bring about political confusion.

As for the rice aid to North Korea, Yi said the government should review its negotiations and agreed with the North on this aid because concessions and compromises are not all that is needed when negotiating with the North. "The negotiations with the North Koreans should be based on the people's understanding and support," he stressed.

On the alleged fabrication of a Foreign Ministry document, he stressed all suspicion about this case must be completely removed because it directly reflects the government's ethics and morality.

Yi also expressed regret about the police raids into a Catholic church and a Buddhist temple which ended sit-in demonstrations union leaders of Korea Telecom were staging there, adding the police actions were not intended to violate the sanctity of the two holy places.

DP Spokesman Reacts to DLP Speech

SK0507065095 Seoul YONHAP in English 0620 GMT 5 Jul 95

[FBIS Transcribed Text] Seoul, July 5 (YONHAP) — Rep. Pak Chi-won, spokesman for the main opposition Democratic Party (DP), said Wednesday that Rep. Yi Chun-ku was generally frank in his speech to the National Assembly for a chairman of the ruling party.

Pak, commenting on Yi's speech to the National Assembly, said, "in particular, it was right of him to point out the government's confusion in the policy towards North Korea, the rice supply for instance."

However, Pak expressed regret that Yi did not apologize or clarify who was responsible for the disaster of the Sampoong Department Store collapse, although he admitted that it was the government's fault.

"In addition, we positively accept the actions by the Democratic Liberal Party (DLP) in which it recognizes and accepts the fact that it lost the support of the people. But the DLP did not recognize that its own conduct was responsible for touching off the wave of regional rivalries," he said.

Meanwhile, the minor opposition United Liberal Democrats (ULD) commented on Yi's speech, saying, "we are surprised that the view of the government and the ruling party over the current political situation is so irresponsible."

DP President Also Speaks

SK0607042095 Seoul YONHAP in English 0246 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — Main opposition Democratic Party [DP] President Yi Ki-taek called for President Kim Yong-sam's apology and the cabinet's en masse resignation over the collapse of the Sampoong Department Store, saying the disaster "warned the nation of the danger of a total collapse of the state, government and society."

Delivering his party's policy speech at a special parliamentary session Thursday, Yi bitterly blamed the government for the accident.

"Whenever there has been a large-scale disaster, which have occurred one after another over recent years, the government promised to take preventive measures, but we've just seen another big accident that killed and injured more than 1,000 people, and the government can no longer dismiss its incompetence and irresponsibility with a mere apology," he remarked.

Yi then proposed the government set up a time-limited ad hoc safety control body represented by the government and experts and civic organizations to conduct safety checks of all high-rise public buildings and apartments.

He also offered to establish a safety control agency as a permanent organization and to establish a law stipulating heavy punishments for those responsible for slipshod construction.

Yi stressed the need for a moral reform movement spearheaded by the rich and privileged class of society, saying the series of big accidents over the past few years stemmed from the economic growth-first value orientation.

Commenting on the government party's defeat in the recent local elections, the opposition leader called it the voters' bitter judgement of the government inability to adequately manage state affairs.

"The government should change its arrogant and self-righteous attitude and reorient its reform program to accommodate the people's wishes with its policy," he said.

Yi called the regional rivalries which re-emerged from the local elections "an unhappy outcome," saying that political parties becoming regional rivals are an unhappy political development in view of their need to prepare for the 21st century.

He opposed the government party's offer to revise the local election law, saying his party supports the current local election system.

Calling for a shift of the government's North Korea policy that would match the changes of the world's post-cold war political order, he said the government should have referred major decisions on inter-Korean relations, such as the one on food aid to North Korea, to the parliament in a bid to achieve a national consensus.

He also demanded that the government negotiate with the World Trade Organization to recognize inter-Korean trade as tariff-free intra-country trade.

Touching on the controversial case of an allegedly fabricated Foreign Ministry document, Yi said law enforcement authorities must bring to light the truth in the case as soon as possible, by thoroughly investigating all those involved, adding that should the allegations prove true the related minister should assume responsibility.

Dispute Arises Between DP Factions

SK0507092395 Seoul YONHAP in English 0744 GMT 5 Jul 95

[FBIS Transcribed Text] Seoul, July 5 (YONHAP) — An internal dispute surfaced in the main opposition Democratic Party [DP] Wednesday between the Tonggyo-tong faction, led by former party leader Kim Tae-chung, and the group led by incumbent President Yi Ki-taek and reformist party leaders.

At the DP caucus held Wednesday morning, Rep. Han Hwa-kap, Kim Tae-chung's protege, openly attacked party President Yi and Vice Presidents Yi Pu-yong and No Mu-hyon, who during the recent local election campaigns criticized Kim Tae-chung's call for "equal rights for regions."

In a powerful denouncement, No voiced his objection to Kim Tae-chung resuming the party's leadership.

Pointing at Yi Ki-taek, Yi Pu-yong and No, Han told the caucus, "local autonomy is supposed to promote local rights and local autonomous bodies are supposed to realize local egoism... Didn't those who opposed the call of equal rights for regions during the electioneering support hegemonism?"

The opposition party has long made an issue of the fact South Korea has been ruled by people hailing from Kyongsang Provinces.

"It is shameful that some opposition personalities were in accord with a mistaken assertion of the ruling party. It is tantamount to having part of the opposition party under contract to the ruling party," Han charged.

Han also noted no apology has been made for the discord that erupted in the Democratic Party over the nomination of its candidate for the Kyonggi gubernatorial post. This was evidently aimed at party President Yi, whose handpicked candidate lost in the gubernatorial election.

No met reporters following the caucus and demanded Han's apology, saying, "the equal rights for region theory has never been adopted as a party policy line...to accuse a political colleague of colluding with the enemy because his usefulness has gone is no different from the ruling camp's practice of charging innocent citizens with pro-communist activities."

No urged Kim Tae-chung to keep his public pledge and remain retired from politics, a pledge he made after being defeated in the 1992 presidential elections.

No also expressed his abhorrence of a possible alliance between Kim Tae-chung and Kim Chong-pil, president of the United Liberal Democrats, saying, "the perception is wrong that a Kim Tae-chung-Kim Chong-pil alliance is proper, while saying a Kim Yong-sam-No Tae-u alliance is improper."

Yi Ki-taek, who left the caucus before Han made the remarks, reportedly expressed his displeasure with them and instructed his aides to reinforce references to regional divisions (tripolarization) of politics in a policy address he will deliver at the National Assembly plenary session Thursday.

DP Vice President To Fight Regionalism

SK0407090795 Seoul YONHAP in English 0858 GMT 4 Jul 95

[FBIS Transcribed Text] Pusan, July 4 (YONHAP) — No Mu-hyon, vice president of the major opposition Democratic Party (DP), declared Tuesday he will fight against the resurgence of "regionalism" in the country and criticized Kim Tae-chung for his controversial remarks concerning "equal rights among regions."

No, who was defeated in the Pusan mayoral election on June 27, claimed that Kim, chairman of the Asia-Pacific Peace Foundation, has further split the country into regional rivalries during his recent speeches made in support of DP candidates running in the local polls.

The DP vice president is visiting Pusan to attend a ceremony disbanding the DP's election campaign headquarters there.

No argued that "The basis for the local autonomy has completely collapsed, on the contrary, through the local elections." He also criticized the party leadership for its "self-complacence" about the DP's victories in the local elections.

Pak Chan-chong Hints at Presidential Campaign

SK0607071095 Seoul YONHAP in English 0555 GMT 6 Jul 95

[FBIS Transcribed Text] Pusan, July 6 (YONHAP) — Pak Chan-chong, an unsuccessful candidate who ran for the Seoul mayoral post in the just-ended local elections, suggested Thursday that he might run in the forthcoming general and presidential elections.

Pak told a news conference, "Naked regionalism swayed the just-concluded local elections and our politics is veering into a struggle for hegemony. In order to liquidate the three-Kim era and eliminate the regional rivalries, our political arena requires new blood and young politicians should take up the role."

He hinted at the possible emergence of a new political party, saying, "moves are afoot not only among non-affiliated politicians but within established political parties to reform political circles. The political arena should be reformed in one way or another.... During the recent electioneering, I acutely felt the need for organization."

Pak said, "My pledge while stumping during the Seoul mayoral election that I would not run in the next presidential election has become meaningless, since I've failed in the Seoul mayoral election."

"To map out my political plans, I'll confine myself to my home for the time being," he added.

Prosecution To Search Sampoong Officials' Homes

SK0607015395 Seoul YONHAP in English
0105 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — Authorities investigating the collapse of Sampoong Department Store decided Thursday they will search the homes of three store executives, including the chairman, in an effort to find evidence proving they bribed civil servants and other officials to gain the city's approval for unsafe design changes and temporary use of the building before official approval was given for its dedication.

The decision was reached as suspicions that executives at the Sampoong Department Store lobbied related public officials and men of influence in the government and political circles to gain approval for the substandard construction of their store's building appear to have merit.

The three whose houses will be searched are Sampoong Chairman Yi Chun, 73, president Yi Han-sang (42), son of the chairman, and Yi Kwang-man, 67, the store's development project manager.

An official of the Seoul District Prosecutor's office said Thursday, "related ledgers and documents will be confiscated from the houses of these people within a few days, in order to track their lobbying and bribes."

Authorities, meanwhile, discovered that the department store made 24 design changes on four different occasions between April 1988 and November 1989 when it obtained the first design change approval.

In the meantime, the death toll from the tragic man-made disaster rose to 127 as of 7 AM Thursday [2200 GMT 5 July], according to an official tally released by Seoul city officials.

'Tri-Party' Team To Probe Accident

SK0607064595 Seoul YONHAP in English
0609 GMT 6 Jul 95

[FBIS Transcribed Text] Seoul, July 6 (YONHAP) — The government and opposition parties agreed Thursday to form a nine-member tri-party parliamentary team to investigate the collapse of the Sampoong Department Store.

The agreement was reached at a three-party floor leaders meeting held immediately after the house plenary session ended, with floor leaders Hyon Kyong-tae of the ruling Democratic Liberal Party (DLP), Sin Ki-ha of the main opposition Democratic Party (DP) and Han Yong-su of the splinter United Liberal Democrats (ULD) attending.

The investigation team will consist of five DLP lawmakers, three DP and one ULD lawmaker.

Hyon said the investigation team would present an investigation plan to a plenary session for its approval by next Thursday, adding, however, that it would start the investigation after the rescue-salvage operations are nearly complete.

But Sin said the investigation team would start work next Thursday as rescue workers expect to finish recovering victims' bodies from the wreckage by next Wednesday.

More on Status of ROK's New Zealand Attache

Attache's Return 'Expected'

SK0107051595 Seoul YONHAP in English
0455 GMT 1 Jul 95

[FBIS Transcribed Text] Seoul, July 1 (YONHAP) — An administrative attache at the South Korean embassy in New Zealand will likely return to the country next week to answer prosecutors' questions regarding his involvement in the allegedly forged Foreign Ministry document case regarding a survey of local automonous systems in foreign countries, Foreign Ministry Spokesman Yu Kwang- sok said Saturday.

"Choe Sung-chin recently made several telephone calls to South Korea's ambassador to New Zealand to say that he needs more time before making a decision concerning his voluntary return to South Korea," Yu said.

"Given the situation surrounding the case, the ministry expects Choe to return to Seoul next week," said Yu.

The spokesman said that South Korea is not in a position to demand that New Zealand deport Choe to Korea because the two countries have no extradition agreement and also because the charges levied against Choe have not yet been proved.

He, however, added that the South Korean Government will likely ask the New Zealand authorities next week to take some measures in connection with the alleged Foreign Ministry document forgery case if Choe continues to refuse requests he voluntarily return to the country.

He strongly hinted that Choe, who has gone into hiding since the breakup of the alleged forgery case last June, could be reached quickly if the ministry wishes to do so, although he officially said that the ministry does not know his current whereabouts.

"We expect that we can return him to Korea with the help of the New Zealand authorities by next week, although at the moment we have no information on his whereabouts," Yu said. "But, it seems that he is not far away."

DP To Send Fact-Finding Team

SK0307103595 Seoul YONHAP in English 0810 GMT 3 Jul 95

[FBIS Transcribed Text] Seoul, July 3 (YONHAP) — The main opposition Democratic Party (DP) will send a fact-finding team to New Zealand Monday afternoon in an effort to meet Choe Sung-chin, an administrative attache to the South Korean Embassy there in connection with the disputed forged Foreign Ministry document.

The DP members leaving for New Zealand are Reps. Yim Chae-chung and Namkung Chin and attorney Yi Sang-su, a party spokesman said Monday.

Rep. Namkung said that the administrative attache made telephone calls Sunday to Kim Tae-chung, chairman of the Asia-Pacific Peace Foundation, two times asking for a guarantee of his personal safety and expressing his hope to hold press conferences with South Korean reporters.

According to the opposition lawmaker, Choe claimed in the telephone conversations that a senior official at the Foreign Ministry, Assistant Minister Yi Chae-chun, flew to New Zealand to see Choe and that they met for two hours. Choe insisted that Assistant Minister Yi pleaded with him to state "the Foreign Ministry document in question was forged by Chairman Kim Tae-chung, then there will be no problem and you (Choe) will be given a special promotion to a high post," Rep. Namkung insisted.

For his part, Chairman Kim told Choe "act squarely and honorably as your conscience directs you. All the people are watching you," said Namkung.

Other members of the opposition party said that Choe also made telephone calls to other party officials like Advisor Yi Chong-chan and Vice President Kwon Noh-kap insisting that "the content of the letter he sent to Rep. Kwon was true."

Prosecution Opposes DP Team

SK0307123095 Seoul YONHAP in English 1104 GMT 3 Jul 95

[FBIS Transcribed Text] Seoul, July 3 (YONHAP) — The Seoul prosecution on Monday strongly objected to an opposition Democratic Party [DP] plan to send five officials to New Zealand to interview sacked embassy official Choe Sung-chin suspected of having doctored a Foreign Ministry message, asserting such an interview may hamper the prosecution effort to bring Choe back home.

"An advance interview by the Democratic Party of a suspect whom the prosecution intend to question would hinder the effort to shed light on the incident," a prosecution official said.

He said it cannot be a proper act of a political party to meet a person whom state law-enforcement authorities are planning to investigate in accordance with law.

The ruling Democratic Liberal Party [DLP], too, charged that the Democratic Party tries to use the incident for its political gains by planning to send a fact-finding team to the suspect in New Zealand.

The opposition party should leave the investigation of the incident to the prosecution, the ruling party said, urging the Democratic Party to cancel the plan forthwith.

Meanwhile, the Democratic Party rejected the ruling party call for the cancellation of the dispatch plan, alleging that the DLP demand manifests the ruling camp's wish to "keep the truth of the incident buried."

New Zealand To Act Impartially

SK0507063395 Seoul YONHAP in English 0612 GMT 5 Jul 95

[FBIS Transcribed Text] Seoul, July 5 (YONHAP) — Deputy Prime Minister Donald Charles McKinnon of New Zealand said Wednesday that his government will treat an application for refugee status submitted by a former attache of the South Korean Embassy in New Zealand with impartiality, according to a Foreign Ministry official Wednesday.

McKinnon also said that his government will handle the application filed by Choe Sung-chin in accordance with the legal procedures of New Zealand, although the Wellington government wanted Choe involved in a Foreign Ministry document forgery case to voluntarily return to Seoul as soon as possible so the case could be cleared up, according to Kim Ha-chung, director general of the ministry's Asia-Pacific affairs bureau.

Kim was briefing reporters on the outcome of talks between Foreign Minister Kong No-myong and McKinnon, who is also the foreign minister of New Zealand, at the Foreign Ministry here.

The New Zealand foreign minister hoped that a delegation of the largest opposition Democratic Party (DP), which flew to Wellington to meet with Choe Sung-chin Monday, will persuade Choe to voluntarily return to Seoul, according to Kim.

McKinnon was also quoted by Kim as saying that his government will try its best not to let the Choe case adversely affect friendly relations between South Korea and New Zealand.

While meeting with McKinnon, Foreign Minister Kong said that all the people of the country want Choe to return to the country soon so the document forgery case can be settled, according to Kim.

McKinnon flew to Seoul Tuesday evening to discuss regional security issues and ways to enhance bilateral economic cooperation and promote friendly relations.

Probe of Former Finance Minister To Resume

SK0307063195 Seoul YONHAP in English 0617 GMT 3 Jul 95

[FBIS Transcribed Text] Seoul, July 3 (YONHAP) — The Supreme Public Prosecutor's Office has decided to resume its investigation of former Finance Minister Yi Yong-man, who returned from Japan last weekend after he left the country in March 1993 after being indicted on bribery charges.

An official at the office said Monday that investigators will be sent to Seoul National University Hospital, where Yi is staying, to evaluate Yi's health condition before starting a full-fledged probe into the bribery scandal involving the former finance minister. Yi was immediately taken by ambulance to Seoul National University Hospital upon his arrival at Kimpo International Airport.

The official said Yi's condition appears critical at the moment, adding the office will decide on when and how to resume the investigation after evaluating doctors' diagnoses.

The prosecution suspended Yi's indictment in 1993 when he left the country.

Yi is suspected of accepting hundreds of millions of won in bribes from a banker while in office in 1992.

Price Stability Top Economic Priority

SK0107014395 Seoul THE KOREA HERALD in English 1 Jul 95 p 8

[FBIS Transcribed Text] The government will place top priority on attaining price and economic stability in the second half to maintain the current business boom and engineer a soft landing for the economy, a top economic policy maker said yesterday.

Minister of Finance and Economy Hong Chae-hyong said at a meeting of economic ministers yesterday that emphasis will also be put on narrowing the nation's growing current-account deficit.

Predicting the current economic expansion will continue till the first quarter of next year, Hong, also deputy premier, estimated that the economy will grow at an annual 9.2 percent for this year, bolstered by increasing consumer spending and investment in construction.

The estimate is well beyond the economy's sustainable growth rate of 7 percent that both government officials and private economists say doesn't entail inflation.

To keep the high economic growth from building up inflationary pressure, the government will focus on controlling aggregate demand by holding tight reins on money supply growth and government spending, he said.

The government will maintain the growth rate of money supply at a yearly target range of 12 to 16 percent, while cutting down on fiscal spending.

Any surplus in the '94 budget will be used in paying back government debts and to strengthen the function of state-run funds in adjusting business activity, Hong said.

The government, Hong said, will make continued efforts to prevent real estate speculation and have the real-name property registration system, effective today, take root as early as possible.

The government will also concentrate on keeping wage hikes as low as possible for government workers and private employees, and bring down consumer prices by restructuring the distribution market, Hong said.

In May, the government announced a plan to modernize the nation's distribution market characterized by layers of middlemen and insufficient infrastructure.

Hong also said steps will be taken to reduce the nation's ballooning gap in the current [account] balance, which is expected to reach $8 billion to $9 billion this year.

The government will push ahead with a package of measures to develop capital-goods industries by allowing domestic makers of machinery and equipment to have more access to low-interest policy-based loans, he said. Capital goods take up a considerable portion of the nation's imports, thus being cited as the major culprit for the current-account imbalance.

In addition, the government will take measures to strengthen the growth potential of the economy and improve the quality of life for the public, Hong added.

Export-Related Reserves To Fall to WTO Rules

SK0607035395 Seoul THE KOREA HERALD in English 6 Jul 95 p 8

[FBIS Transcribed Text] Within the next three to five years, some corporate reserves allowed for developing overseas markets and recovering export losses will be abolished as forbidden government subsidies stipulated by the World Trade Organization [WTO].

Some other types of subsidies, such as export financing, and tax exemption for facility investments aimed to enhance productivity, will remain in place after excluding clauses that may discriminate against foreigners, said the Ministry of Trade, Industry and Energy Tuesday.

The ministry will also lift investment bans abroad on seven business categories, including cotton spinning, dyeing and ready-to-wear clothing, beginning from the latter part of this year.

At an inter-agency meeting for pushing economic globalization, the ministry said that it will revamp the current industrial subsidy system to better cope with the WTO system.

For instance, the ministry reported, it will convert export financing, currently classified as a prohibited subsidy, to a permissible one by ceasing to provide soft-term loans and deregulating their interest rates.

Some subsidies that cannot be switched to allowable types at all, such as export loss compensation reserves and overseas market development reserves, will be gradually reduced before eventual abolition after notification to the new global trade police which replaced the General Agreement on Tariffs and Trade this Jan. 1, the ministry said.

Instead of slashing various subsidies, the ministry will help expand the companies' access to direct overseas financing, while increasing the amount of permitted subsidies, such as those for technology development.

The WTO rule prohibits subsidies that directly affect export and import and calls for their abolition within three years in the case of industrial countries and in five to eight years for developing countries.

Conglomerates' Uneasy Relations With Chongwadae

95P30109A

[Editorial Report] The 27 April issue of CHUGAN CHOSON, a weekly magazine, reported that some South Korean business leaders are worried that the recent warming trend between Chongwadae (presidential offices) and South Korea's business conglomerates may be ending. The magazine said South Korea's business sector appears to blame the reversal on a recent anti-government speech made by the chairman of the Samsung Group.

According to CHUGAN CHOSON, rumors are again circulating in Seoul that the government may be considering implementing unspecified policies that would be unfavorable to the South's major business conglomerates. The rumors are deemed credible because Han I-hon, Chongwadae's senior economic secretary — who would have a major role in the adoption and implementation of such policies — has a reputation for opposing the conglomerates and would probably support such policies.

The magazine reported that the rumors began in early April, almost immediately after the chairman of the Samsung Group, Yi Kon-hui, made a strong "anti-government" speech in Beijing. Yi called ROK politics "fourth rate" and the government's administrative ability "third rate." Yi also said the standards of the Korean Government and its people are "far behind" those of advanced countries.

The business sector is concerned that Yi's harsh words could shatter the "friendly mood" and "reconciliation atmosphere" that has recently emerged between President Kim and the conglomerates. The magazine claimed that the criticism leveled by the Samsung chairman is going to help "anti-conglomerate" groups in the government and Chongwadae, which fear the "limitless, octopus-type growth" of the conglomerates and their influence. At the same time, the magazine suggested that Yi's harsh words have weakened those in Chongwadae and the government who understand the conglomerates and who would like to discard various policies that create red tape and make it difficult for businesses to operate.

According to CHUGAN CHOSON, the escalation of tension follows a brief warming in relations between the conglomerates and Chongwadae after Kim's return from a trip to Europe last March. In Europe, Kim saw the successful business activities of the conglomerates with his own eyes. He praised the businessmen and emphasized their role in creating economic growth. Kim said "the economy should be not only the nation's number one priority, but also the number two and three priorities." Moreover, Kim invited the heads of five conglomerates to a Blue House dinner in March, the first such gathering since August 1993. The conglomerates hoped the occasion would wash away bad feelings on both sides and would lead to all-out government support, the magazine said.

CHUGAN CHOSON said that what the conglomerates really want is a concrete government policy that they can work with. In fact, the magazine claimed that many conglomerates miss the "Third Republic era" when broad business activities were tightly controlled by the government but firms had freedom to execute their own business affairs. Although they were forced to pay a significant amount of money to the government and Chongwadae during that period, there were "guaranteed returns." The conglomerates hope that President Kim will recognize that his economic globalization will not be able to move forward without their help and that he will lay out the "rules of the game" that will force the working levels in the government to support the conglomerates. The businesses want the government to develop a single policy toward the conglomerates that would create a favorable working environment.

CHUGAN CHOSON concluded by urging government officials to get rid of their "paranoia" about the conglomerates. Instead, the magazine urged the government to identify the direction the conglomerates should follow. For the conglomerates, the magazine urged that they overcome their fear of Chongwadae and its Economic Secretary Han I-hon. Both sides need to be a part of President Kim's overall reform, the magazine said.

Minister Proposes Free Port Near New Airport

95P30115A

[Editorial Report] The 25 May CHUNGANG ILBO and HANGYORE SINMUN in Korean reported that South Korea's Minister of Construction and Transportation, O Myong, has unveiled a plan for building a "Hong Kong-scale" international free port near the new Yongjong International Airport. At a speech given to members of the Korean Federation of Industries (FKI), Minister O declared the "ambitious international free port" plan as "his personal plan, not the government's." However, according to CHUNGANG ILBO, no cabinet minister in Korea will express what is merely his or her personal opinion in public, especially regarding something affecting the national economy. Therefore, the plan must have "merit."

The plan proposes building new facilities and infrastructure, as well as establishing new regulations for businesses operating in the port. O explained that by using landfill to connect two tiny islands, Yongui Island and Muui Island, near the new airport, builders can create one free port island that would occupy 20-30 million pyong (5-7.6 million square yards) of land. Yongjong Island, where Yongjong International Airport is scheduled to open soon, could be connected by a bridge to this free port island. HANGYORE SINMUN stated that the plan also includes a self-contained communications system, harbor, and even an airfield for small planes. Quoting Minister 0, HANGYORE SINMUN also said the ROK Government plans to remove all required regulations for foreign firms that operate there.

CHUNGANG ILBO quoted Minister O as saying that "the timing is perfect for Korea to have an international free port that will be bigger and better than Hong Kong." The minister said such a facility could fill the international business vacuum that may be created with Hong Kong's return to China in 1997. O added that "the port should be ready to receive international businesses when the companies decide to leave Hong Kong after it is returned to China."

Minister O did not reveal a cost estimate for the project, but he did say he plans to tap international and domestic investors to raise funds rather than use Korean taxpayers' money for the port. In fact, both dailies said O already presented and discussed the plan at various seminars in the United States in 1994, where he received overwhelming support and promises from potential investors. In addition, the dailies said that Minister O hopes to hold seminars on the plan in various European cities this year. He will reportedly try to gather a national consensus for the project in Korea by holding public hearings in major cities. Moreover, HANGYORE SINMUN added that Minister O plans to form a team of experts in transportation- and construction-related fields to speak out in favor of the proposal to help raise private domestic capital.

LG Electronics To Develop Plants in Indonesia

SK0107011495 Seoul THE KOREA HERALD in English 1 Jul 95 p 8

[FBIS Transcribed Text] LG Electronics yesterday unveiled a long-term plan to develop one of its large-scale electronics production bases in Indonesia.

As part of the project's first phase, LG recently began constructing a TV-part manufacturing plant in Bekasi, 30 km from Jakarta, the capital city.

"The $450-million factory, named LG Electronics Display Devices Indonesia (LGEDI), is scheduled to produce VCRs, monitors and key TV parts such as deflection yokes and flyback transformers, starting in April 1996," said an LG spokesman.

"Products from LGEDI will be exported to all parts of the world. Sales of $800 million are expected by 2000," the spokesman said.

LG is already operating color-TV, freezer and pump manufacturing plants in three Southeast Asian nations — Indonesia, Thailand and the Philippines.

"LG has decided to invest in Indonesia in an effort to more actively cope with the Asian Free Trade Association (AFTA), which comprises Indonesia, Singapore, Thailand and Malaysia," he said.

Hyundai To Erect Power Lines in Malaysia

SK0407004095 Seoul THE KOREA HERALD in English 4 Jul 95 p 8

[FBIS Transcribed Text] Hyundai Engineering & Construction Co. has been awarded a $32-million construction order to build 500-kv [kilovolt] transmission lines along a 122-km strip in Malaysia's northern section, a Hyundai spokesman said yesterday.

Ordering the project is Malaysia's state-run electricity company, Tenaga National Berhad.

The construction period will be 17 months beginning in July. Hyundai will hand over the project on turn-key basis upon completion in November 1996.

Hyundai has also built 18 transformer stations for the Malaysian government for $100 million.

Hyundai Forms Joint Venture in Pakistan

SK0407003495 Seoul THE KOREA HERALD in English 4 Jul 95 p 8

[FBIS Transcribed Text] Hyundai Motor Co. has entered into a contract with the Saigol Group of Pakistan to jointly produce passenger cars in Pakistan.

The joint-venture plant, to be located on the suburbs of Lahore, northeast of Karachi, will produce 3,000 units in the first production year of 1996, 4,800 units in 1997, 6,400 units in 1998, 7,800 units in 1999 and 10,000 units in 2000, a Hyundai spokesman said yesterday.

Hyundai will hold a 50 percent stake in the joint venture, which calls for $33.41 million, while the remaining interest will go to the Saigol Group, he said.

Construction, which will begin this month, will be finished next October, according to the spokesman.

Hyundai will supply production equipment needed for producing passenger cars as well as transmissions and other key auto parts to the Pakistani partner.

Pakistan, which imposes a ban on the import of passenger cars, has 780,000 cars within its borders as of the end of last year. Boosted by its economic growth, the demand for automobiles, estimated at 80,000 units per year, is on a sharp surge.

Burma

Army Offensive Against Karenni Continues

Clash Displaces 3,000 People

BK0307154595 Bangkok THE NATION in English 3 Jul 95 p A5

[FBIS Transcribed Text] Mae Hong Son — While Thais headed to the polls yesterday, sporadic battles between Burmese troops and a Karenni resistance group continued across the border in Karenni state.

The fighting, which began in earnest on Friday morning, has caused the dislocation of at least 3,000 people.

Yesterday morning, about 1,500 Karen and Karenni refugees at Camp 3 — located between the village of Ban Nai Soi and the Burmese border in Muang district — began to relocate to a Padaung village about three kilometres further from the border, according to sources from the All Burma Students Democratic Front (ABSDF).

A Thai civilian official confirmed that the move would take place, although at noon he said it had not yet begun.

The refugees used to live in the Padaung, or "Longneck" village — which is now a popular tourist site — but the move would be difficult because their former houses were no longer standing, he said.

The Thai official also confirmed that further north in Muang district about 1,500 refugees had moved from the Do Mo Sheh camp inside Burma to Pang Yong camp, which he said sits right on the border.

Conditions were said to be difficult there because of almost continuous rain, but he added that there were at least some vacant houses at Pang Yong left by refugees who moved to Do Mo Sheh.

Reports from Khun Yuam district, south of Muang district, were more sketchy and suggested that no more than a few hundred refugees had entered Thailand there.

Meanwhile, reports on the fighting suggested that Burmese troops were attempting to move eastward from the Salween River in four columns, rather than five as previously reported.

A statement issued on Saturday by the Karenni Progressive Party (KNPP) said the ruling State Law and Order Restoration Council (SLORC) had sent 4-5,000 troops to attack KNPP bases.

The KNPP, which has about 1,000 troops at its disposal, were said to be primarily engaging in guerrilla tactics, ambushing the SLORC troops whenever possible.

In the southernmost engagement — around Kauk Kauk, a few kilometres west of Border Post 12 which connects Karenni state and Khun Yuam district — Karenni sources said they had kept SLORC troops at bay.

A bit further north, however, Burmese troops had reportedly advanced up the Mae Surin river and were at least close to taking Border Post 11, which is also in Khun Yuam district.

Even further up the Mae Surin River, about 10 km inside Thailand, sits refugee Camp 5, which housed about 2,000 Karenni refugees before the fighting, and may hold more now.

A third engagement was taking place further north at Mae Yu, a 14-km drive from Border Post 9, which connects Karenni state with Ban Nai Soi in Muang district. Camp 3 is also in the area, as is an ABSDF camp.

The northernmost engagement was reported at Mae Sa Te, about 15 km west of the camps of Do Mo Sheh and Pang Yong (Camps 2 and 1 respectively).

The KNPP statement said that, in addition to press-ganging villagers into becoming porters, SLORC had requisitioned tractors, bullocks and bullock carts from farmers in Karenni state to carry military equipment and other supplies.

A Karenni source said that this suggested that Burmese troops would bring in field artillery and mortars. There have already been reports of shelling at Mae Yu.

Fourth Day of Fighting

BK0507104795 Bangkok THE NATION in English 4 Jul 95 p A3

[FBIS Transcribed Text] Fighting continued for the fourth day between the Burmese army and heavily outnumbered ethnic Karenni guerrillas who were bracing for further fresh attacks.

Casualty figures on both sides were still sketchy yesterday, but about 1,500 people have fled into the jungle, some of them crossing into Thailand.

A source in the Karenni National Progressive Party (KNPP) said yesterday that those fleeing the fighting were former refugees in Thai camps who had returned to Burma after the ethnic group struck a ceasefire agreement with the ruling Burmese State Law and Order Restoration Council (Slorc) in March.

The latest Burmese army attacks have forced them to flee again, and some of them have re-entered the camps.

But the source said the six existing camps, three in Mae Hong Son's Khun Yuam district and three in the province's Maung district, have limited space for new refugees and that if the fighting continued and more refugees entered Thailand, a new camp might have to be established to accommodate the newcomers.

The KNPP believes that Slorc is determined to press ahead with its military advance and that its objective is to capture four Karenni bases along the Thai border, the source said.

The four bases are identified as Kauk Kauk Hill and Mae Surin River, which are located opposite Mae Hong Son's Khun Yuam District, and Hta Na Khwe and Nam Oon, which are opposite the province's Muang District.

The source said Maj Gen [Major General] Maung Gyi, the commander of the Burmese army's Regional Control Command in the Karenni state capital of Loikaw, last month told a visiting KNPP delegation led by its vice chief of staff Aung Mya that the Slorc wanted the group to withdraw from the four strongholds.

The Burmese army sent two battalions of troops to the KNPP areas on June 17 the same day that the ethnic delegates left for Loikaw to discuss border development projects.

The source said the four strongholds are of "strategic significance" for Slorc which wants to neutralize the Karenni forces.

"Our [KNPP] strength is very small... that's why Slorc believes that it can get rid of us. If we were stronger, Slorc would not use force to attack us," the source said.

The KNPP considers the Slorc attacks on its bases a "serious" breach of the bilateral ceasefire deal, but does not rule out peace talks to settle the conflicts.

The official said his group was surprised that Slorc had broken the three-month truce instead of smoothing things out between the two sides through dialogue.

The source confirmed that more skirmishes took place early yesterday in the vicinity of the four Karenni bases, but said they would never vacate their strongholds as desired by the Burmese regime.

Khin Nyunt on Army-Karenni 'Misunderstanding'

BK0507151195 Rangoon TV Myanmar Network in Burmese 1330 GMT 4 Jul 95

[FBIS Translated Excerpt] Lieutenant General Khin Nyunt, chairman of the Work Committee for Development of Border Areas and National Races and secretary-1 of the State Law and Order Restration Council [SLORC], accompanied by ministers, deputy ministers, and responsible officials, left Yangon [Rangoon] in a military helicopter this morning and arrived in Loikaw, Kayah State, at 0845. [passage omitted on welcoming at airport]

Lt. Gen. Khin Nyunt met with departmental authorities, local elders, and local nationals of the Kayah State in the town hall. Speaking at the meeting, Lt. Gen. Khin Nyunt explained he had come to meet the local people to promote lasting peace and development in Kayah State, which had already achieved peace, and to explain the government's policy and convictions to the people. He said the government believes that the time has come for the armed groups in the jungle to return to the legal fold and for the people of the entire nation to work in unity toward peace and development in the Union. He said with this objective in mind, the state authorities concerned have toured the states, extended official invitations, and held talks. He said the goverment held repeated talks with the armed groups from the jungle with the aim of achieving uniform development among national races in the entire Union and in the states. He said as a positive result of the talks, the armed groups in the Kayah State — Kayan National Guards, Karenni National Liberation Front, Kayan New Land Party, and Karenni National Progressive Party — had returned to the legal fold after giving up their armed struggle policy between February 1992 and March 1995. He said peace now prevails in Kayah State following the return to the legal fold by these armed groups and that development projects for education, health, and infrastructure are being implemented.

Lt. Gen. Khin Nyunt explained the government is currently endeavoring with genuine goodwill to bring about uniform development in Kayah State. He said the government has to work on a national scale in the interests of the whole Union, including the states, and the national people as well as for the defense and security of the entire Union. He said it is necessary for the national people to realize that the government is working in the interests of the entire country. He said the government, with the cooperation of the national people, had worked with genuine goodwill, despite various difficulties, to achieve peace and development in the entire Union and improve the standard of living of the entire national people. He said up to 15 armed groups from the jungle which had come to understand the genuine goodwill of the government had returned to the legal fold.

He said the government will never wreck the peace that has been achieved, but will continue to strive for lasting peace. He said it would be necessary for the armed groups, which had returned to the legal fold, to understand the genuine goodwill of the government and to work for regional development in their respective areas. He explained that in the course of carrying out its duty in the interests of the Union and the national security, the Defense Services had some misunderstanding with members of the Karenni National Progressive Party. He called for restraint in order to safeguard peace and to prevent any further misunderstandings that could be caused by mutual suspicion. He said the national people and responsible officials from organizations should not have any racial, organizational, or regional bias. They should be broadminded in their outlook in order to avoid mistakes. Then only they would be seen as representing their respective national people.

Continuing, Lt. Gen. Khin Nyunt said the government is striving for lasting peace and tranquility and regional development in Kayah State. He called on the entire national people, including the organizations which had returned to the legal fold, not to be confused by external influences and urged them to continue working hand in hand with the government.

In conclusion, he called on the entire to continue cooperating with the government unitedly in working toward the government's four declared political objectives — prevalence of law and order in the state; national reconciliation; the successful holding of the National Convention to draft a firm state constitution; and the systematic establishment of a stable, peaceful, developed, and modern nation.

After the meeting, the secretary-1 warmly greeted the local people. [passage omitted on meeting with departmental authorities]

Next, SLORC Secretary-1 Lt. Gen. Khin Nyunt met with U Tun Kyaw, deputy chairman of the Karenni National Liberation Front in the local regional command headquarters and discussed regional development. [passage omitted on inspection of sports field]

SLORC Peace Drive With Ethnic Groups Examined

BK0507141695 Bangkok THE NATION in English 5 Jul 95 p A4

[Article by Yindi Loetcharoenchok: "Cracks Show in SLORC's Peace Drive"]

[FBIS Transcribed Text] Only one day after the Burmese junta struck a ceasefire agreement with ethnic Mon guerrillas last Thursday, its truce with another armed ethnic group, the Karenni National Progressive Party [KNPP], broke down and both sides have since been locked in fighting that has uprooted roughly another 1,500 people from their homes.

Although the actual causes of the new fighting have yet to be ascertained, the clashes confirm the well-founded fear that the ceasefires that Rangoon has struck with the different ethnic groups remain "very fragile and temporary". They do not guarantee lasting peace in the border areas, where those groups retain their arms and strength.

Though the KNPP was the last party, just before the Mon ethnic brothers-in-arms, to reach a truce deal with the ruling State Law and Order Restoration Council (SLORC) and the first to resume hostilities other ethnic guerrilla groups, such as the powerful Wa forces in northern Shan State, have often threatened to tear up their bilateral peace pacts with Rangoon and return to armed struggle.

The United Wa State Party (UWSP), which was one of the first parties to sign a ceasefire agreement with the SLORC in early 1989, has not been happy with the SLORC's increasing demands for it to withdraw its troops from several areas within its territory and to reduce its armed strength and weaponry.

Unlike the strong Kachin Independence Organization in Burma's northern-most Kachin State which often resorts to negotiations with the SLORC to settle similar disputes, the Wa, with its 25,000-30,000 troops including militia forces, has never held back from publicly airing its dissatisfaction about the situation and had repeatedly threatened to go back to fighting to maintain the status quo in both land and power.

Last October, the Wa spearheaded the formation of the Peace and Democratic Front, a new alliance of eight armed ethnic groups which have reached ceasefires with Rangoon, as part of an effort to protect ethnic rights and autonomy. The new group sprang up only a month after SLORC leader Lt Gen [Lieutenant General] Khin Nyunt announced that the whole Shan State was now free of ethnic insurgency.

In the south, representatives of the New Mon State Party (NMSP) still decline to reveal the details of their discussions and truce deal with the SLORC. The Mon delegation, which returned to its border base from Moulmein where the highly publicized ceasefire ceremony was held on June 29, will hold a central committee meeting before issuing a public statement on its ceasefire with the SLORC.

Mon breakthrough

After failing in four previous rounds of talks to find agreement over the preconditions for a ceasefire, and in particular the delimitation of NMSP territory, the Mons and SLORC finally reached a settlement in early June.

Well-informed Thai and Mon sources in Bangkok and Kanchanaburi attributed the resumption of the May 30-June 10 talks after an 11-month pause to the peace efforts of two elected Mon MPs from Moulmein, who have assisted the group in negotiating with the SLORC. The two MPs had made two trips as "semi-mediators" to the border for meetings with senior NMSP leaders and proposed to help both sides break the long lull in talks. They were also present at the June negotiations and at the ceasefire ceremony.

The sources said the Mon and the SLORC agreed not to establish any physical boundary between the areas controlled by them and that civilians and villagers could travel freely to either side without hindrance from the two parties. However, armed forces would have to first inform and seek permission from either the NMSP or the SLORC before before entering the other's active area.

The SLORC also promised to end forced labor of local villagers and forced conscription of civilians as porters.

While it is not known if both sides have reached any agreement on the future of about 11,000 Mon refugees uprooted from their homes by the decades-long fighting in southern Burma, and on the continuation of cross-border assistance to the fugitives — who subsist mainly on food and medical supplies provided by private relief agencies operating in Thailand — the plan to relocate Pa Yaw and Halockhani, two of the four existing camps will go ahead, probably in the next few months after the rainy season.

Refugee concerns

Relief agencies and the Mon Refugee Committee both share the view that despite the ceasefire, the overall situation does not yet permit the safe resettlement of all the refugees to their native villages and homes and that they might have to live on at the border camps for quite some time.

"The ceasefire agreement is only a half-way solution and is different from a comprehensive peace deal or settlement. The ceasefire does not mean that peace already prevails in Burma," said a relief worker in a recent interview.

The worker expressed concern that both the Thai government and the SLORC will halt cross-border aid to the Mon refugees now that a ceasefire is struck. In an interview yesterday, a member of the Mon Refugee Committee said he did not know whether and to what extent the refugee assistance and development projects were covered in the truce deal. At present the basic needs of the fugitives have been covered and supplies stockpiled to last the monsoon period when road transportation is near impossible to reach the border camps.

The fact that a ceasefire is a venture of a "temporary" nature can be seen from the eruption of fighting between the Burmese army and the Karenni National Progressive Party (KNPP), which became the 14th group to reach a bilateral truce with the SLORC in March.

According to the KNPP officials, the SLORC has, since last month demanded that the ethnic group withdraw from four of its border bases just across the Thai frontier in Mae Hong Son Province, in what is a "clear violation" of the 16-point agreement which stipulated no acts of aggression in each other's territories. The KNPP refusal prompted the Burmese army to send about 4,000 men across the Salween River to the east bank where both sides have since last Friday engaged in skirmishes.

While the fighting does not bode well for the outnumbered Karenni group, refugees or dissident Burmese students taking refuge in the area, it does prove and confirm a fundamental fear of SLORC aggression and its unrelenting policy and tendency to use force to suppress opposition or dissent — whether it come from ethnic guerrilla forces or urban political activity among the citizenry.

Meanwhile, the Karen National Union (KNU), the only remaining armed ethnic force yet to enter into peace talks with the SLORC, is watching the Mon-SLORC peace accord with interest and concern as the two ethnic groups have been active in several overlapping territories in southern Burma and the truce could indirectly affect KNU operations in those areas.

A senior KNU officer said a KNU unilateral ceasefire, which was declared about two months ago to help create an atmosphere conducive to start peace dialogues had already broken down because the SLORC had not positively responded to the initiative. On the contrary, the SLORC had sent more troops to attack and capture more Karen bases along the Thai-Burmese border. Thus KNU leader Gen [General] Bo Mya officially revoked the truce on June 6.

The officer cited an incident last month in which 500 Burmese troops, freshly sent from Tavoy, attacked KNU 4th Brigade units in the Banchaung area, forcing a large number of people from three villages to flee into the jungle.

While he predicted a resumption of a heavy Burmese military offensive against the KNU now that a Mon-SLORC truce has been reached, Burma watchers in Bangkok believe the SLORC cannot ignore the KNU and would eventually open talks with the group.

But before doing so, Rangoon will continue to try to weaken the group militarily and politically to cut its bargaining position and negotiation conditions, and try to strike the most concessions from any deal.

The observers believe that the KNU, though weakened after the fall of its headquarters and several camps early this year, still garners enormous international support and sympathy and remains "the last hurdle" before the SLORC can declare the country free from ethnic strife.

Brunei, Malaysia & Singapore

Malaysia

Commentary Urges Egypt, Sudan To Ease Conflict

BK0607052795 Kuala Lumpur Voice of Malaysia in English 0810 GMT 5 Jul 95

[Station commentary]

[FBIS Transcribed Text] Yet another conflict involving Muslim countries has emerged to add to a few others that are still unsolved.

This time around, it involves two member countries of the Organization of Islamic Conference (OIC) — Egypt and Sudan. Relations between the two countries worsen after an assassination attempt on President Husni Mubarak in Ethiopia recently. Troops of both countries clashed at their border after the Egyptian president linked Sudan to the attack. This has caused strain in relations between the two countries which resulted in Malaysia expressing concern over the matter.

Toward this end, Malaysia has urged both Egypt and Sudan to find a solution to their conflict as it may have negative consequences on both parties. As a member of OIC, Malaysia is saddened by the escalating tension and hopes that the two countries can overcome their problem successfully.

Foreign Minister Datuk Abdullah Ahmad Badawi said that, as a member of OIC, Malaysia is unhappy over the tense relationship. This is because Malaysia had always hoped for continuous cooperation among the OIC member countries. This is important because, with such cooperation, the OIC can implement various programs to promote the image of Islam and improve the lot of Muslims.

Apart from that, it had always been Malaysia's policy to enhance cooperation with other countries as well as OIC member countries in order to achieve greater development. Another reason why Malaysia is promoting cooperation among Islamic countries is because without such effort, Muslim nations will never be respected by the world community. One very good example is the stance taken by the United Nations on the question of Bosnia Herzegonia. Even though Islamic countries had taken economic measures against countries which helped the Serbs in Bosnia, nothing came out of that. The resolution made by the 52-member countries of OIC was ignored by countries of the North as something trivial.

Towards this end, Malaysia's Prime Minister Datuk Sri Dr. Mahathir Mohamed had also urged Islamic countries to stop bickering with one another, but instead concentrate on upgrading themselves and strengthening their economic power. Without such efforts and also solid cooperation, Islamic countries will always remain weak. This will result in they, not only unable to extend meaningful help to their Muslim brothers, but also to influence those agencies whose decision and actions, would affect the fate of fellow Muslims.

However, Islamic countries could not achieve everything what they wished for over night, and given no progress for a strength and the togetherness could be accelerated, reduced the (?fair time). There is quite a lot that can be done by Islamic countries provided they have the political will to do so.

Foreign TV Programs To Undergo 'Filtration'

BK0507153295 Kuala Lumpur THE STAR in English 5 Jul 95 p 3

[Report by Anthony Tan]

[FBIS Transcribed Text] Sungai Petani — Foreign television programmes transmitted through the Malaysia East Asia Satellite (Measat), due to start operating next year, will undergo a one-hour "filtration" period before being shown to the public.

Information Ministry parliamentary secretary Datuk Mohd [Mohamed] Shafie Haji Apdal said programmes transmitted through the Measat Broadcast Networks System would be sent to Angkasapuri [Information Department Building] for editing by the ministry.

He said this would enable the government to censor foreign programmes which contained negative elements or pornography.

"After that, we will transmit the programmes back to Measat for broadcast to the public," he told reporters on Monday after presenting prizes to winners of the state-level oration competition on nationalism.

Shafie also said that the ministry would regulate the size and signal reception of parabolic dishes to ensure they could only receive transmissions from Measat.

The public would need licences to own the dishes, he added.

Television viewers with parabolic dish will be able to receive up to 30 channels through the Measat satellite.

The Measat Broadcast Networks System is, however, only expected to start broadcasting programmes at the earliest in April next year.

Cambodia

Sirivut Wants Rangsi Back in FUNCINPEC

BK0507155495 Phnom Penh PHNOM PENH POST in English 30 Jun-13 Jul 95 pp 1, 8

[Report by Jason Barber]

[FBIS Transcribed Excerpt] FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Secretary-General Prince Norodom Sirivut has vowed to do what he can to see outcast MP Sam Rangsi returned to the party fold.

"I see the chance for Sam Rangsi to come back," Sirivut said this week. "As Secretary-General I will always want to open the door for this brilliant element of Funcinpec."

In the wake of Rangsi's June 22 expulsion from the National Assembly and earlier sacking from Funcinpec, Sirivut is moving to call a full congress of party members "as soon as I can."

The congress would give "the chance for real democratic debate" on the Rangsi affair and the party's future.

Sirivut was planning a pre-congress meeting of more than 100 party officials — from provincial, district and sub-district levels — for tomorrow, July 1.

Such meetings, and a congress, should produce clear signs of how many officials and rank-and-file members have greeted Rangsi's ousting.

Sirivut himself is in no doubt — Funcinpec has "lost credit" in the eyes of many party faithful and other Cambodians, he said.

But he would not be drawn on whether moves to allow Rangsi to return to Funcinpec — and perhaps the National Assembly — could be expected at a party congress.

Asked whether Rangsi might prefer to start a new party, Sirivut said: "It's his right to do that. It's up to his conscience.

"But he should not forget his friends and long-term colleagues, perhaps they will change themselves after the party congress.

"It seems to me that we must calm down the situation. We are disappointed, but we must preserve our energies and that goes for my friend too," he said of Rangsi.

"I advise my friend not to try to break the wall. I ask him not to change our consciences, but that technically, politically, we must calm down.

"It's a matter of timing. To do the right thing we must protect our energy."

He said he would also "try to calm down" the president of Funcinpec, Prince Norodom Ranariddh, the instigator of Rangsi's expulsion.

Sirivut hoped relations between Rangsi and Prince Ranariddh could be mended.

"Prince Ranariddh has told me personally that after the storm, maybe there will be sunshine, so who knows? In politics, I always think of evolution."

It was clearly better to get Rangsi back in Funcinpec before the 1998 elections, because "he is popular — that is fact".

The party needed to debate 'who are we?" and begin preparations for 1998.

Sirivut — who has labeled Rangsi's eviction from Funcinpec as "irregular" and against party rules — said he would not challenge it on legal grounds.

"You can talk about regulations, procedures, but it's politics too. Now, I can do nothing."

But he pledged not to allow such a case to happen again, and to fight any unfair disciplinary action against Funcinpec officials.

The Post reported in May that Funcinpec's steering committee, which purportedly made the decision to sack Rangsi, was considering dismissing some party provincial governors.

"As Secretary-General, I ask the steering committee to move slowly and carefully," said Sirivut.

"There must be democratic debate. People must have the chance to answer any allegations, and their answers must be considered."

Rangsi, meanwhile, has given no indication of his future other than to say he will consider himself a MP until the 1998 elections.

He left for a trip to France and Japan soon after he was officially stripped of his MP's position on June 22.

Earlier, he said his expulsion left him both sad and happy — sad that MPs could no longer express their opinions, but happy because "to the whole world, this is the proof that this institution, this government, is losing its legitimacy." [passage omitted on world reaction to Sam Rangsi's dismissal]

In Cambodia, criticism of the expulsion — and concern for the independence of the National Assembly — continues.

Ahmat Yahya — one of the few Funcinpec MPs to publicly support Rangsi — refused to recognize Rangsi's expulsion.

He said it was not in line with the constitution, the UN electoral law or the National Assembly's internal rules.

"I still recognize Sam Rangsi as a Member of Parliament until 1998... but he himself has to be careful. If he uses that title, the government can accuse him [of misrepresentation] and put him in jail."

Yahya — and Prince Sirivut — have disputed that they signed a petition in support of Rangsi's expulsion presented to the National Assembly's permanent standing committee three days earlier.

Yahya said the "petition" was in fact a list of attendees at a Funcinpec meeting called by Prince Ranariddh to discuss Rangsi.

Assembly vice-chairman and committee member Son Soubert expressed concern that Prince Ranariddh had imposed his will on the assembly.

"This is a regression because the National Assembly seems to be in the rubber-stamp situation, he said. "There should be a balance between the National Assembly and the government. I think they tried to do that, but with this case it's gone back to square one."

Of Rangsi's dismissal, Soubert said: "I'm not sure this is legal." [passage omitted]

KR Renew Attacks After Business Links Cut

BK0507155295 Phnom Penh PHNOM PENH POST in English 30 Jun-13 Jul 95 p 5

[Report by Ros Sokhet]

[FBIS Transcribed Text] Kompong Seila, Koh Kong — Khmer Rouge [KR] attacks on Route 4 have been blamed on government soldiers cutting off business links with the rebels.

"Last year the (Royal Cambodian Armed Forces) soldiers deployed here worked with the Khmer Rouge to do logging and few attacks occurred along the road," said police commander Chhuk Ang.

"Now all links with the Khmer Rouge have been cut off... and that has angered them."

Col [Colonel] Ang — whose police forces have been guarding a segment of the road near Kompong Seila, about 130 km southwest of Phnom Penh, since February — said there had been two KR attacks in the past four months.

He believed the KR in the area were growing increasingly hostile as their supply lines, and contacts with government forces, were clamped down on.

He alleged that, previously, RCAF [Royal Cambodian Armed Forces] soldiers used to go into KR controlled areas, just 10-15 km from the road, to be "partners" in the logging trade.

Some 90 KR guerrillas are believed to be stationed near the road side village of Kompong Seila continuing to threaten the security of Route 4, which connects Phnom Penh with Sihanoukville.

One person was killed and three injured when the KR attacked government forces along the road on June 12. A taxi and two Shell Oil trucks came under fire.

Government troop reinforcements have been sent to the area, which had earlier been protected by poorly-equipped policemen.

"The Khmer Rouge can attack us or ambush taxis at any time they want," said Col Ang, commander of police unit 911, on June 20.

The KR soldiers — based 10 km west of Kompong Seila — numbered only about 90 but were heavily armed, he said.

"I have 330 policemen guarding the road but there is only one gun for every three of them. We have no arms and ammunition to push them out of the area."

The KR guerrillas were well equipped with AK-47 rifles, B-40 grenade launchers, mortars and heavy machine guns.

"My police forces alone can not protect security along the road... I need more troops or a special mobile force to help my men, and ammunition is really needed."

The KR soldiers, believed to be from Divisions 18 and 19 in Koh Kong and Division 20 in Kompong Speu, attacked and briefly captured key police positions in Kompong Seila on June 12.

"The rebel troops came from the west side with vehicles carrying DK 82-mm mortars and 12.7-mm machine guns and hundreds of rounds were fired," he said.

He said the KR did not usually have such weapons, and alleged they had been provided by Thai businessmen trading with the rebels. The KR moved into Kompong Seila village, plundering 500 kg of rice from villagers and burning down four sawmills.

Col Ang said a villager was killed, a policeman seriously wounded, and three KR later killed in counter-attacks by government forces. A taxi and two Shell Oil trucks which passed through the village at the time came under fire.

He said initial reports that a passenger in a taxi was shot were wrong, but both truck drivers were shot. "The guerrillas were not attempting to ambush the taxi and the trucks," Col Ang said.

"They were attempting to attack police positions and Kompong Seila village to get supplies."

A Shell Oil spokeswoman said one of the drivers, Khieu Kimsie, was shot in the knee, thigh and shoulder. Currently in a Phnom Penh hospital, he faced several months of treatment. She was unable to provide details about an assistant driver, also shot, who was in Sihanoukville Hospital.

Shell Oil said its trucks were still plying Route 4, transporting oil from Sihanoukville port, but their drivers remained worried about security.

Khmer Rouge Report Capture of Treng Post

BK0607010795 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 5 Jul 95

["Special report"]

[FBIS Translated Text] According to a preliminary report, on 3 and 4 July, our national army and the people jointly attacked, liberated, and took control of Route 10 from Treng to O Andong.

The initial results are as follows:

1. We totally destroyed the position of Division 4 at Treng. We also destroyed 36 other positions of the Pursat and Kompong Chhnang provincial forces located along Route 10; killed 62 enemy soldiers, including a division commander; wounded some others; destroyed 107 assorted guns; and dug 60 holes along the track.

2. We seized 81 assorted guns.

Khmer Rouge Reinforce Captured Post

BK0507112295 Hong Kong AFP in English 1057 GMT 5 Jul 95

[FBIS Transcribed Text] Battambang, Cambodia July 5 (AFP) — The heavily-armed Khmer Rouge rebels who captured a key army position near Battambang rushed reinforcements to the site Wednesday as both sides dug in for the next bloody assault, military and police officials said.

The Khmer Rouge force of about 300 to 350 which on Tuesday captured the small Treng base, 42 kilometers (26 miles) south of Cambodia's second largest city of Battambang, was joined Wednesday by an additional 150 to 200 guerrillas, a senior police intelligence officer told AFP.

The estimated 500 guerrillas have seven tanks, 82 millimeter mortars and 75 and 122 millimeter artillery and anti-aircraft guns at their disposal, military officials said.

The government, which has sent in virtually no reinforcements for its troops, is backed by 10 tanks and a variety of artillery pieces, they said. In addition, the army has begun to strafe the rebels with machine-gun fire from helicopters based at the airport in Battambang town.

Shelling and ground fighting subsided Wednesday as the two sides established their new positions.

Shelling did continue though around the small village of Sdau, about 28 kilometers (17 miles) south of Battambang. The hospital there was evacuated Wednesday, according to a senior military officer there who said casualty figures remained unclear.

In Phnom Penh, a government spokesman confirmed that the rebels had taken Treng Tuesday after a fierce battle.

"We tried hard to resist and the attack lasted for two hours, but then we lost Treng to Khmer Rouge hands," Sieng Lapresse told reporters.

But he added that the government was optimistic that the military would take it back and that fresh troops would soon be sent to assist. He said he did not know when the reinforcements would arrive.

Thai border officials on Wednesday reported that five Cambodian soldiers were killed overnight in rebel attacks on two small towns in Banteay Meanchey Province near Poipet about 90 kilometers (56 miles) northwest of Battambang.

Attacks in that area have caused more than 23,000 villagers to flee their homes forcing authorities in the town of Sispohon 51 kilometers (32 miles) east of Poipet to cope with the influx, officials in Phnom Penh said.

The rebels have also been active in other provinces.

On Monday, about 200 rebels recaptured An Seh a border checkpoint in the remote northern province of Preah Vihear, a senior military intelligence officer in Phnom Penh told AFP.

The rebels are also reported to have blown up eight large chunks of National Route Four in spots about 130 kilometers (80 miles) south of Phnom Penh. Route Four is the country's main commercial road linking the capital to the port of Sihanoukville.

The Khmer-language newspaper REAKSMEI KAMPUCHEA (LIGHT OF CAMBODIA) quoted taxi drivers as saying the road was now nearly impassable in those places.

"They're putting pressure on us this rainy season to weaken the army for the next dry season," he said. The Khmer Rouge rebels traditionally launch their major offensives in the rainy season which hampers the government's troop movements and heavier arms. The rebels want to damage the government forces before they come into their own in the dry season, the intelligence officer added.

Khmer Rouge radio, monitored by AFP in Bangkok, reported that An Seh had been "liberated" with the help of government troops fed up with their superiors "whose only interest is in doing business and stealing soldiers."

The Khmer Rouge version of events at An Seh was denied by the officer.

Meanwhile Thailand's powerful army chief, General Wimon Wongwanit, Wednesday denied a Cambodian press report that Khmer Rouge guerrillas were operating from a base on Thai territory.

The army would not allow a foreign armed group to operate on Thai soil, Wimon said on national radio. "I can give an assurance that the army would not do such a thing," he stressed.

Khmer Rouge Mine Kompong Chhnang-Pursat Line

BK0607032795 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 3-4 Jul 95 p 5

[FBIS Translated Text] An official of the Cambodian Railway System has expressed concern over the loss of income from the operation of the Phnom Penh-Battambang line, which has been forced to a halt since 14 June 1995.

The official added the Khmer Rouge has now shifted its objective from planting mines on the Pursat-Battambang line to putting pressure and destroying the portion of rail track between Kompong Chhnang and Pursat Provinces.

Late last week, a group of young rebellious Khmer Rouge soldiers laid scores of homemade mines between the Romeas station in Kompong Chhnang Province and the Kampheng station in Pursat Province. The mines exploded at night. According to a preliminary report from local people, some 250 meters of track were damaged. However, a group of repairmen who went to the scene later said 57 cross ties and 174 meters of rail tracks were lost while 80 percent of the lines were bent.

The official also said the Khmer Rouge rebels and bandits' threat and destruction of the railway tracks to block the supply line were done in an attempt to launch an assault on Pursat Town.

The railway tracks the Khmer Rouge rebels blew up on 14 June and the days after have already been repaired, except for a bridge and a culvert which are still under restoration.

The official said: Although the line is being destroyed by the Khmer Rouge, it will not be abandoned, in whatever case. The repair group, in cooperation with local armed units, is currently assembling and fixing the damaged tracks. He did not, however, specify when the rail service can resume, but said: The train's operation also depends on the protection and safety provided by armed units.

A group of 40-50 Khmer Rouge rebels believed to be from Divisions 18, 19, and 36 is presently trying to destroy the Phnom Penh-Pursat line to cut off this supply road.

King Cuts Jail Terms for Failed Coup Leaders

BK0307064495 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 2 Jul 95

[FBIS Translated Text] His Majesty King Norodom Sihanouk Varaman recently announced a reduction by four years of the jail sentences imposed on the group of organizers of a failed military coup in July 1994.

The reduction of sentence will be given to Prince Norodom Chakkrapong, [former Interior Minister] Sin Song, [former State Secretary for interior] Sin Sen, and eight other participants in the coup.

It should be noted that Prince Norodom Chakkrapong and Sin Song, who have fled overseas, were sentenced in absentia to 20 years in prison.

Strong Criticism of Draft Press Law Continues

BK0507160295 Phnom Penh PHNOM PENH POST in English 30 Jun-13 Jul 95 p 3

[Report by Ke Munthit]

[FBIS Transcribed Text] The National Assembly is scheduled today to resume debate on the press law, which remains strongly criticized by journalists and lawyers despite a re-drafting by the government.

Discussion on the law was adjourned until today after two days of debate which failed to convince critics that MPs [members of parliament] were serious about a free press.

Observers said MPs concentrated on making small changes to the law's wording, rather than any significant changes to ensure that journalists were free from intimidation.

"It was a joke. Nobody talked about principles, about the press, whether it should be free or controlled by the government," one observer said, demanding anonymity.

"They (MPs) talked a lot about responsibility, but less about freedom of journalists. Many are afraid that journalists will have too much freedom," said Pin Samkhon, president of the Khmer Journalists Association.

First Premier Prince Norodom Ranariddh told journalists on Monday that the press law would be "very liberal".

However, others are doubtful.

Provisions allowing journalists to be jailed have been removed in a revised draft of the law presented to the National Assembly — but it provides for them to jailed under another law.

Article 21 of the law states that journalists can be penalized under the UNTAC [United Nations Transitional Authority in Cambodia] penal law — which has been used to pass jail sentences on journalists.

"If Article 21 is passed in its current form the whole effort to take jail terms out the press law will have been for nothing," said one foreign lawyer.

"Journalists will still face imprisonment, though technically it will not be under the press law. For a journalist on trial or sitting in a prison, this is a distinction that will be of little comfort."

The new draft also makes it a crime for the press to publish information which "affects national security and political stability".

The lawyer said the inclusion of "political stability" — which could be used to suppress any criticism or dissenting views — was a retrograde step.

"The only countries which use such a term are communist or dictatorial countries", he said.

In fact, journalists could find themselves being punished under both the press law and the UNTAC criminal law.

The press law provides for fining journalists who affect political stability of between 5 million and 20 million riels "without taking into account possible punishments" under the UNTAC law.

The NGO [nongovernmental organization] Human Rights Watch/Asia, in a letter to National Assembly Chairman Chea Sim, expressed concern that journalists would continue to find themselves the subject of criminal prosecutions under the UNTAC law.

The NGO also criticized the reference to information which affected political stability in the press law, saying: "Virtually any reporting on public affairs has this potential."

"This provision would outlaw publication of anything potentially controversial to the government, a restriction that is totally incompatible with Cambodia's constitutional and international commitments," the letter said.

Under the law, the Ministry of Information and the Ministry of Interior would have the right to immediately confiscate copies of publications which affected political stability.

The Ministry of Information would be able to suspend publication of a newspaper for 30 days.

Human Rights Watch/Asia said such remedies, without the approval of a court, were "extraordinary" and opened newspapers to intimidation and subtle censorship.

The new draft of the press law maintains a provision making it an offense to "publish false information which leads to humiliation or contempt of national institutions"
.

Critics say the provision is unconstitutional, as the constitution protects individuals and not institutions. They say it could be used to arbitrarily punish and silence critics, particularly opposition candidates during an election campaign.

Individuals whose reputations were harmed by the humiliation or degrading of national institutions still had recourse to file lawsuits for libel or defamation.

National Bank Data Show Inflation Moderating

BK0507160995 Phnom Penh PHNOM PENH POST in English 30 Jun-13 Jul 95 p 13

[Report by Susan Postlewaite]

[FBIS Transcribed Text] The government's plan to contain inflation to ten percent this year appears to be working, although inflation is still running slightly above the goal, according to recently released statistics by the National Bank.

The main threat to inflationary control is the continuing price instability of rice due to shortages in many areas of Cambodia.

Cheaper Vietnamese rice was mitigating the effects but "at the end of May there seems to be a firming in the price," according to a government researcher.

Some of the increase was thought to be a seasonal increase in the price of rice, which normally occurs between June and October.

The Consumer Price Index [CPI] was running at a yearly rate of 11.5 percent in February and March, dropping to 7.1 percent in April.

The rate has been brought down from about 26 percent for 1994 in December. A Ministry of Finance estimate has suggested that if it were not for an explosive increase in rice prices in the fourth quarter of last year, inflation for 1994 would have been 7.2 percent.

The inflation stabilization effort has been progressing since the second half of 1993. In March 1993, the annual rate of inflation was measured at 340 percent.

There was a substantial drop in the CPI index in February of negative 5.1 percent. The CPI in March was 1.2 percent and in April it was negative 0.5 percent.

The index is based on a survey of goods and services from three markets in Phnom Penh, Phsar Thmei, O Russei and Chbar Ampeou.

According to the report, the sudden appreciation of the riel in March by 9.2 percent affected import prices, particularly for Thai textiles. The clothing index registered a monthly drop of 6.4 percent in March.

The riel jumped in value from 2,611 at the end of February to reach 2,280 riels on the dollar on March 31. The appreciation began with the introduction of new higher denominations. Since then the riel has stabilised at about 2,350.

The appreciation of the riel also had a large impact on the evaluation of net foreign assets. Net foreign assets of the banking system decreased by 38.3 billion riels or 9.5 percent in March.

But the overall money supply declined by 15.9 billion riels, or 3.5 percent in March, after a rise of 4.6 percent in February. The slight fall was attributed to a decline in checking accounts and riels held outside banks. The money supply figure, however doesn't include the dollars in circulation; only riels.

Credit expansion as measured by commercial loans to the private sector, declined slightly in March after having increased steadily since December. The commercial loans in March were measured at 261.7 billion riels, compared 276.2 billion riels in February .

Second Bank Closes After $5 Million Loss

BK0507154595 Phnom Penh PHNOM PENH POST in English 30 Jun-13 Jul 95 p 12

[Report by Susan Postlewaite]

[FBIS Transcribed Text] A second bank is shutting down after its owners lost $5 million in just four years.

National Bank Deputy Governor Chulong Somura confirmed the impending closure — though the bank was not named — saying: "I am sure that with a massage parlour they would have made $5 million in four years."

Five million dollars is the minimum capitalization required for a bank in Cambodia.

National Bank officials said that the owners of a small bank had just decided to give up running it after its losses. They said it was one of the nominal banks that was licensed a few years ago.

"It is one of those that doesn't make loans," said Somura.

The National Bank officials apparently hadn't decided yet whether a conservator would need to be appointed to oversee the demise of the second bank. It wasn't clear whether the bank had debts or creditors.

The National Bank's inexperience in shutting down a bank has become painfully obvious with the government ordered shutdown of Credit Bank on May 6. The independent auditors were refused access to the bank's books and money was withdrawn by the government from the closed bank. There is still no accounting of the bank's assets and liabilities.

The closing of more banks has been widely expected since the shutdown of Credit Bank, owned by Cambodian Canadians, put a spotlight on Cambodia's renegade banking community. Credit Bank became engulfed in difficulties in March when some of its major shareholders were sued by their Canadian stock brokerage for $1.5 million they lost in currency trading.

International bankers and businessmen are hailing the government crackdown which they say is needed to build confidence in the banking system.

"It shows the National Bank has decided to firmly handle the problem of the capitalization and the security of the depositors and the creditors," said Didier Odin, senior vice president at Banque Indosuez. Odin said: "I see here it is construed as a scandal. I see it as a strong signal. Maybe it will incite banks not to take unreasonable risks."

Some of the banks in Phnom Penh appear to be inert.

At Phnom Penh City Bank a spokesperson said although they had been open since 1993 they had only about five accounts and they didn't do business with the public. "We have a few customers we know very well." When foreigners wander in to cash travelers checks "we have to tell them we have no system," she said.

Business is no more brisk at some of the other banks. The Thai owned Cambodia Development Bank had a "Closed" sign hung on the door one afternoon last week. A manager who opened the door said the bank wasn't conducting any transactions that day because they were "too busy."

Down the street at Global Commercial Bank, the situation was much the same. Armed guards sat in chairs by the lobby and three or four employees stood behind the counter, but a spokesman said "the bank is not in operation." Global Commercial just opened a foreign office in Burma, according to a report in the Bangkok Post.

Still, Somura said that there had been progress among the banks as a whole and a few of the older banks were making a profit. She said there were too many banks for the size of the current market in Phnom Penh, but if the banks were willing to wait a number of years for a return they may make out fine.

In the meantime, more bank closures could be expected. Some may voluntarily go out of business. Somura said some of the remaining 27 banks were undercapitalized and they had been told to get their finances in order. Will they be shut down? "If they don't have the financial strength to recapitalize, yes," she said.

Indonesia

Mantiri Named New Ambassador to Australia

Government Defends Appointment

BK0507163995 Jakarta THE JAKARTA POST in English 30 Jun 95 p 2

[FBIS Transcribed Excerpt] Jakarta (JP) — The Ministry of Foreign Affairs yesterday defended the appointment of Lieutenant General (ret.) [retired] H.B.L. Mantiri as Indonesia's next ambassador to Australia after criticisms were voiced by some parties in Australia.

Irawan Abidin, the ministry's director of foreign information, dismissed the suggestion, made by Australian Foreign Minister Gareth Evans, that Mantiri should apologize for remarks he made in a 1992 press interview on the bloody incident in Dili, East Timor, the previous year.

"Although perhaps open to misinterpretation, the message that Gen. Mantiri was trying to put across at that time was quite uncontroversial and therefore we see no reason for an apology," Irawan said in a written statement yesterday.

Canberra has accepted the nomination of Mantiri as the next Indonesian ambassador to replace Sabam Siagian, who is finishing his four-year term this week. [passage omitted on Australian press stories about Mantiri's remarks and Australian Prime Minister Paul Keating's statement on the appointment]

Irawan said Indonesia found it "difficult to understand" the demands for Mantiri's apology".

When Gen. Mantiri made those remarks attributed to him in 1992, the full facts about these circumstances surrounding the unfortunate Dili incident had yet to be revealed through investigation by the proper authorities," he said.

"The most reasonable thing that he could do was to make a clarification to the effect that if the demonstration which precipitated the Dili incident was organized by people who were seeking economic opportunities, he was certainly not against it."

Nomination Withdrawn

BK0607065995 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 6 Jul 95

[FBIS Translated Text] In an effort to prevent H.B.L. Mantiri from becoming a victim of a political campaign of protests and other dishonorable acts against him, the Government of Indonesia has dropped its decision to appoint H.B.L. Mantiri as the Republic of Indonesia's ambassador to Australia.

Foreign Minister Ali Alatas announced the government's decision at a press conference in Jakarta this morning. With the cancellation of the decision to appoint H.B.L. Mantiri as the new ambassador to Australia, the position will now be left vacant indefinitely.

Alatas Leaves To Attend East Timor Meeting

BK0607131895 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 6 Jul 95

[FBIS Translated Text] Foreign Minister Ali Alatas left for Switzerland this evening to attend the tripartite meeting on East Timor between Indonesia, Portugal, and the UN which will be the mediator.

Speaking to reporters in Jakarta this morning, Foreign Minister Ali Alatas explained that his meeting with the Portuguese foreign minister was to review the issues which occurred in East Timor over the last six months while UN Secretary General Butrus-Butrus Ghali will conduct another substantial discussion. The meeting is aimed at seeking a just and comprehensive settlement to the East Timor issue that will be accepted by the international community.

Responding to reporters' questions regarding the proposal made by the All-Inclusive East Timorese Dialogue, AETD, Foreign Minister Ali Alatas said there was a possibility that the proposal would be discussed, but it will definitely not become a major topic for discussion.

Philippines

Timing of Talks With PRC on Spratlys Viewed

BK0507160895 Manila MANILA STANDARD in English 1 Jul 95 p 4

[Report by Merlinda Manalo]

[FBIS Transcribed Text] Bilateral talks aimed at defusing tension between the Philippines and China concerning their dispute over the Spratlys may not push through before the Asean Regional Forum [ARF] scheduled late this month, officials said yesterday.

Both sides had expected that the talks would be scheduled before the ARF, in a bid to calibrate Asean's reaction to China's activities in the South China Sea before the annual security forum takes place.

Sources at the Foreign Office, however, said that a meeting between Foreign Affairs Undersecretary Rodolfo Severino Jr. and his counterpart, Chinese assistant foreign minister Wang Yingfan, may not be possible and will have to be held after the ARF due to the tight schedules of both officials.

China also appears "disinterested" in discussing the dispute after the media tour sponsored by the Philippine Government in the Spratlys and the blasting of Chinese markers in Philippine claimed areas of the islands, the sources added.

A diplomatic row ensued between Beijing and Manila after the Philippine military found that China had built several structures and stationed naval ships in and around Mischief Reef. The reef is part of the territory in the Spratlys claimed by the Philippines.

China had maintained its stand against internationalizing the issue, particularly in forums such as the ARF, a gathering for security talks among Asia-Pacific countries which include the United States and Japan.

The Asean will not take up the Spratlys issue as a group but individual members will raise it during the ARF, Severino said.

Severino admitted that no date has yet been set for his meeting with Beijing officials on the dispute, which will focus on the Philippine proposal to establish a code of conduct among claimants to the Spratlys.

The potentially oil-rich islands is being claimed in whole or in part by China, Vietnam, the Philippines, Malaysia, Brunei, and Taiwan.

Vietnam will join the Philippines, Malaysia, Brunei, Thailand, Singapore and Indonesia as an Asean member in July. This makes four out of the remaining two claimants to the Spratlys as members of the regional grouping, raising speculations that the dispute will eventually be an Asean-China issue.

Spratlys Dispute Hinders Oil Exploration Work

BK0607032895 Manila MANILA STANDARD in English 3 Jul 95 p 13

[Report by Joubert Burgos]

[FBIS Transcribed Text] The political impasse over the disputed Spratly Islands, which is being claimed in whole or in part by the Philippines and its neighbors, has snagged exploration work on the potentially oil-rich islands.

1994 permit

As early as May 1994, the Department of Energy had approved the application of local oil explorer Alcorn Minerals and Petroleum Corporation (APMC) together with U.S. firm VAALCO to explore the potentials of Kalayaan Islands.

The permit provides for a non-exclusive geophysical permit over 1.5 million hectares of Spratlys within the Philippine claim known as Kalayaan in the South China Sea, APMC said in its 1994 annual report to shareholders.

"This area is hotly contested by six Asian Nations — China, Taiwan, Vietnam, Malaysia, Philippines, and Brunei. The Kalayaan is, in fact, the 20th Municipality of Palawan under PD [Presidential Decree] 1596 registered with the UN (United Nations)," APMC said.

APMC said their original work permit on Kalayaan covered the western side (Pagasa, Likas, and Parola Islands) all the way to the eastern side (Lawak and Patag Islands to the Reed Bank under GSEC [expansion unknown] 63 of Kirkland).

Limitations

"Because of geopolitics, our (permit) was reduced by the Office of the President to the eastern side only or the islands of Patag and Lawak up to the Recto or Reed Bank," APMC said.

"Moreover, our permit was limited to research only and we were not allowed to physically enter the area. We, therefore, filed a request for reconsideration," it added.

Prospects of gas or oil within the Philippine territory of Kalayaan are merely "speculative" at the moment, according to an APMC official.

Preliminary findings resulting from "desk top" surveys suggest the presence of oil within Kalayaan based on findings in nearby areas such as Reed Bank where two gas discoveries were made out of the seven wells that have been drilled in the area.

APMC said there were also proven oil discoveries in areas surrounding the Philippine claim such as Nam Conson Basin in Vietnam, Sarawak basin in Malaysia, Sabah basin in Malaysia, and northwestern Palawan in the Philippines.

Unresolved issue

The APMC official said APMC needed to conduct actual seismic surveys in the area to confirm speculations of the presence of oil or gas deposits in the area, but that the company could not embark on such an expedition because of unresolved ownership issues in the area.

"We are thus awaiting for developments in the geopolitical situation that might result in a joint development of the area among the claimant states just like in the North Sea," APMC said in its annual report.

Ramos Says Li Teng-hui 'Welcome To Visit'

OW0607021395 Taipei CNA in English 0143 GMT 6 Jul 95

[By Timothy Sun and Benjamin Yeh]

[FBIS Transcribed Text] Manila, July 5 (CNA) — Philippine President Fidel Ramos said Wednesday that ROC [Republic of China] president Li Teng-hui is welcome to visit the Philippines.

"Other countries are just following our example here in the Philippines because President Li Teng-hui came to the Philippines first, ahead of his trip to the United States, in his capacity as president," Ramos said during a nationally televised news conference.

In February, 1994, Li made a stop in Subic Bay, a key destination of Taiwan investments, on his three-leg tour of Southeast Asia. Ramos had a brief meeting with Li at the time, but the Philippine head of state emphasized that, "of course we did not discuss political issues during the visit in accordance and pursuant to our 'one-China policy.'" He said they only exchanged views on economic issues.

Taiwan investments in the Philippines had grown to US$750 million as of the end of last year.

Manila Backing Burmese Bid To Join ASEAN

BK0607035795 Manila MANILA STANDARD in English 3 Jul 95 p 3

[Report by Merlinda Manalo]

[FBIS Transcribed Text] The Philippines, which has been pushing for a one-Southeast Asia concept in the region, will support Myanmar's [Burma's] plans to become a member of the six-nation Association of Southeast Asian Nations (ASEAN), a senior foreign official said.

Myanmar (Burma), which has been under international pressure to improve its human rights record and shift to a democratic form of government, has been trying to come out of its isolation and emphasize economic reforms to catch up with its neighbors in the region.

Myanmar has recently indicated that it was now ready to join ASEAN, especially after Vietnam, a socialist country, had announced that it would become a full member by July during the ministerial meeting of the regional group in Brunei.

The Philippines' support to Myanmar's future membership in the ASEAN may trigger protests from the United States, which has sharply criticized the military rule in Myanmar and the continued detention of Nobel Peace laureate Aung San Suu Kyi, the foreign office source said.

"The Philippines, however, should remain consistent by supporting Myanmar since it has been very vocal about maintaining ASEAN's policy of constructive engagement and in not isolating Myanmar," the source said.

The Philippines, however, will lobby ASEAN to urge Myanmar to become more transparent, especially because of its closeness with China, the source added.

The ASEAN, which groups the Philippines, Thailand, Indonesia, Singapore, Malaysia, and Brunei, has maintained its much-criticized policy of engaging Myanmar in international cooperation so as not to isolate the country. The ASEAN expects that the policy will eventually be acceptable to the United States and the European Union.

Last year, former Foreign Affairs Secretary Roberto Romulo visited Myanmar and reported that its government has been making slight improvements towards establishing a Constitution and liberalizing its economy.

Romulo had said Myanmar has the potential to become an economic partner of the Philippines and should not be isolated from the international community.

Manila Leading Protest of French Nuclear Test

BK0607083995 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 5 Jul 95

[FBIS Translated Text] Foreign Affairs Secretary Domingo Siazon has announced that the Philippines is taking the lead to stop France from pursuing its plans for nuclear testing. He added that he has already sent a letter to its diplomatic mission in New York outlining a course of action to organize and launch a protest movement by the Group of 77 — a group of developing nations with 125 members — which is currently chaired by the Philippines. Earlier, President Ramos rejected France's request to test their nuclear arms in the South Pacific out of fears of the damage it will inflict on marine resources. Along with the Philippines, other countries protesting France's plans for nuclear testing are: Australia, Japan, New Zealand, and other nations in the South Pacific.

'Official': $100,000 Pledged for DPRK Reactors

BK0607035095 Manila MANILA STANDARD in English 3 Jul 95 p 4

[Report by Merlinda Manalo]

[FBIS Transcribed Text] The Philippines has committed to contribute at least $100,000 (about P [pesos] 2.5 million) to an international consortium set up to help North Korea build nuclear-powered reactors for its energy requirements, a senior foreign affairs official said.

The foreign office said Southeast Asian countries had pledged to give between $100,000 to $300,000 to the Korean Peninsula Energy Development Organization (KEDO) set up by the United States, Japan, and South Korea as a result of high-level talks between American and North Korean officials in Kuala Lumpur last month.

"Singapore has already pledged $300,000. We have already committed to join the consortium but the exact amount that we will give will still have to depend on Malacanang's approval," the source said.

The source said that since the Philippines was among the cash-strapped Asian countries, the foreign office has recommended the minimum amount as a contribution to the group.

Pyongyang has already agreed that the contractor for the KEDO project would be South Korea's state-owned Korea Electric Company.

The consortium was conceptualized last year to help check the communist North's nuclear program and assist it in its energy requirements.

Several countries have expressed support for the project which includes the construction of two nuclear-powered reactors.

South Korea had proposed sending over 400 of its engineers and workers to the North through the demilitarized zone before the end of the year to do sight surveys and preliminary work.

North Korea is still studying the proposal, which may mean the collapse of the project once it is turned down.

Peace Panel Head Decries NDF 'Intransigence'

BK0607035395 Manila THE SUNDAY CHRONICLE in English 2 Jul 95 p 10

[Report by Bella de Mesa]

[FBIS Transcribed Text] The government panel yesterday said it is considering ending negotiations with the National Democratic Front (NDF) in the wake of the collapse of the latest peace talks in Brussels, Belgium.

Ambassador Howard Dee, head of the government panel, expressed disappointment over the intransigence of the NDF in pursuing the talks.

Dee said the NDF does not appear to be really sincere in pursuing the peace process because of the tough preconditions it has presented.

"It seems that whenever we are supposed to have peace negotiations they always have preconditions," Dee said.

The NDF is demanding the release of communist rebel leader Sotero Llamas before sitting down with the government side, claiming that he was an NDF consultant to the talks.

"They want to stick to their motto, 'No Llamas, no talks,' and it seems that they are more interested in the release of Llamas than pursuing with the peace talks," Dee said.

Dee added that the government panel is now evaluating the present condition of the peace talks between the government panel and the NDF negotiating panel led by Luis Jalandoni.

"We are now assessing all the present conditions of the peace talks. We understand that peace is too an important issue, and too-far-reaching a concern, for us to allow it be held hostage to such an unreasonable demand of the NDF," Dee said.

The decision to suspend talks last June 27 came following the failure of the NDF panel to appear at the scheduled joint panel meeting.

Luis Jalandoni, the NDF panel chief, told Dee by telephone the NDF would not meet with the Philippine panel unless Llamas arrived in Belgium.

Dee added that during the supposed peace talks last June 27, the NDF never filed a motion for reconsideration regarding the release of Llamas.

"If they really want to have Llamas, at the same time really eager to pursue with the peace talks, they must file a motion for reconsideration for their demand, but they did not do so," Dee said.

Thailand

Unofficial List of Election Winners

BK0307114095 Bangkok Radio Thailand Network in Thai 0000 GMT 3 Jul 95

[FBIS Translated Text] The unofficial count of ballots in the election to the House of Representatives shows the following candidates having gained the highest number of votes in their constituencies and provinces:

Bangkok constituency 1

Samak Sunthorawet, Prachakon Thai Party; Lalita Roeksamran, Prachakon Thai Party; Decho Sawananon, Prachakon Thai Party

Bangkok constituency 2

Police Lieutenant Colonel Thaksin Chinnawat, Phalang Tham Party; Suphachai Phanitchaphak, Democrat Party; Orathai Kanchanachusak, Phalang Tham Party

Bangkok constituency 3

Thinnawat Marukkhaphithak, Phalang Tham Party; Phiraphong Sakhrik, Phalang Tham Party; Samut Mongkhonkitti, Phalang Tham Party

Bangkok constituency 4

Thamnun Prachuapmo, Prachakon Thai Party; Sansani Nakphong, Phalang Tham Party; Phatthanarak Osathanokro, Prachakon Thai Party

Bangkok constituency 5

Aphisit Wetchachiwa, Democrat Party; Suthin Nopphaket, Phalang Tham Party; Sutham Saengprathum, Phalang Tham Party

Bangkok constituency 6

Phichai Rattakun, Democrat Party; Charoen Khanthawong, Democrat Party; Kanthathi Suphamongkhon, Phalang Tham Party

Bangkok constituency 7

Sudarat Keyuraphan, Phalang Tham Party; Chaowat Sinsuwong, Phalang Tham Party; Pracha Khunakasem, Phalang Tham Party

Bangkok constituency 8

Phiraphong Thanomphongphan, Phalang Tham Party; Pramot Sukhum, Democrat Party

Bangkok constituency 9

Thawin Phraison, Phalang Tham Party; Suwat Wannasirikun, Prachakon Thai Party; Prasoet Muangsiri, Prachakon Thai Party

Bangkok constituency 10

Usa Samala, Prachakon Thai Party; Arisaman Phongruangrong, Phalang Tham Party; Pitiphong Temcharoen, Prachakon Thai Party

Bangkok constituency 11

Police Captain Chaloem Yubamrung, Muanchon Party; Police Major General Sinsamut Mukdahan, Muanchon Party; Kowit Tharana, Democrat Party

Bangkok constituency 12

Pawina Hongsakun, Prachakon Thai Party; Sumit Sunthorawet, Prachakon Thai Party; Hangthong Thamwatthana, Prachakon Thai Party

Bangkok constituency 13

Samai Charoenchang, Democrat Party; Seri Phatthanaphanchai, Phalang Tham Party

Krabi Province

Phichet Phanwichatkun, Democrat Party; Akhom Engchuan, Democrat Party

Kanchanaburi constituency 1

Decha Sukharom, Chat Thai Party; Phaibun Phimphisitthawon, Nam Thai Party; Major General Sonchai Montriwat, Nam Thai Party

Kanchanaburi constituency 2

Pracha Phothiphiphit, Democrat Party; Rewat Sirinukun, Chat Thai Party

Kalasin constituency 1

Sangthong Sitharet, New Aspiration Party; Phichai Mongkhonwirakun, New Aspiration Party; Chingchai Mongkhontham, New Aspiration Party

Kalasin constituency 2

Orani Suthasi, Chat Phatthana Party; Phithaya Phumlaochaeng, New Aspiration Party; Ngoen Chaisiwamongkhon, Chat Thai Party

Kamphaengphet constituency 1

Roengwit Lik, Chat Thai Party; Khanung Thaiprasit, Chat Thai Party; Pricha Musikun, Democrat Party

Kamphaengphet constituency 2

Warathep Rattanakon, Chat Thai Party; Sanan Sabaimuang, Chat Thai Party

Khon Kaen constituency 1

Amnuai Wirawan, Nam Thai Party; Krawi Suphathira, Nam Thai Party; Adison Phiangket, Nam Thai Party

Khon Kaen constituency 2

Premsak Phiaura, New Aspiration Party; Suphasit Techatanon, Chat Thai Party; Amnat Chanawong, Social Action Party

Khon Kaen constituency 3

Suwit Khunkitti, Social Action Party; Somsak Khunngoen, Seritham Party; Panya Sipanya, Nam Thai Party

Khon Kaen constituency 4

Sinuan Sitarai, New Aspiration Party; Somsak Kiatsuranon, Social Action Party

Chanthaburi

Prawat Utamot, Chat Phatthana Party; Thawatchai Anamphong, Chat Phatthana Party; Khomkhai Fuangprayun, Chat Phatthana Party

Chachoengsao constituency 1

Chaturon Chaisaeng, New Aspiration Party; Athit Urairat, Seritham Party

Chachoengsao constituency 2

Ithi Sirilathayakon, Chat Phatthana Party; Suchat Tancharoen, Chat Thai Party

Chon Buri constituency 1

Witthaya Khunplum, Chat Thai Party; Sanga Chanasanguanwong, Chat Thai Party; Somchai Sahathairungruang, Chat Thai Party

Chon Buri constituency 2

Sonthaya Khunplum, Chat Thai Party; Sansak Ngamphichet, Chat Thai Party; Surasit Nitiwuthiworarak, Chat Thai Party

Chainat

Bunthong Sompracha, Chat Thai Party; Chaiwat Sapruamthong, Seritham Party

Chaiyaphum constituency 1

Santi Chaiwiratana, Seritham Party; Aram Lowira, Chat Thai Party; Surawit Khonsombun, New Aspiration Party

Chaiyaphum constituency 2

Charoen Chankomon, Chat Thai Party; Lieutenant Watthana Kaeosiri, Nam Thai Party

Chaiyaphum constituency 3

Wuthichai Sanguanwongchai, Chat Phatthana Party; Lieutenant Colonel Arun Chalirin, New Aspiration Party

Chumphon

Surot Phalang, Democrat Party; Sirisak Onlamai, Democrat Party; Suchat Kaeonapho, Democrat Party

Chiang Rai constituency 1

Chatthawat Muttamara, Solidarity Party; Yongyut Tiyaphairat, Solidarity Party; Rattana Chongsuthamani, Chat Phatthana Party

Chiang Rai constituency 2

Prathuan Romayanon, Chat Thai Party; Buason Prachamon, Solidarity Party; Sombun Wanchaithanawong, Chat Thai Party

Chiang Rai constituency 3

Sorasit Chiamwichak, Solidarity Party; Wisan Techathirawat, Nam Thai Party

Chiang Mai constituency 1

Thawatwong na Chiang Mai, New Aspiration Party; Wichai Wongchai, Phalang Tham Party; Suratham Chinnawat, Chat Thai Party

Chiang Mai constituency 2

Amnuai Yotsuk, Nam Thai Party; Bunchuai Phuchinaphan, Chat Phatthana Party; Suraphon Kiatchaiyakon, Chat Phatthana Party

Chiang Mai constituency 3

Somphong Amonwiwat, Chat Phatthana Party; Kingkan na Chiang Mai, New Aspiration Party

Chiang Mai constituency 4

Thawisak Suphasi, Chat Phatthana Party; Mana Phraesakun, Solidarity Party

Trang constituency 1

Chuan Likphai, Democrat Party; Wichian Khanchong, Democrat Party

Trang constituency 2

Thawi Suraban, Democrat Party; Sathit Wongnongtoei, Democrat Party

Trat

Banlu Sutthiwari, Seritham Party

Tak

Rat Tantisunthon, Democrat Party; Thoetphong Chaiyanan, Democrat Party; Thawon Kasomsan, Democrat Party

Nakhon Nayok

Det Bunlong, Chat Thai Party; Chanchai Itsarasenarak, Democrat Party

Nakhon Pathom constituency 1

Somphat Kaeophichit, Chat Thai Party; Chaiyot Sasomsap, Solidarity Party; Chaiya Sasomsap, Solidarity Party

Nakhon Pathom constituency 2

Chanchai Pathummarak, Chat Thai Party; Phonsak Piamkhla, Democrat Party

Nakhon Phanom constituency 1

General Chawalit Yongchaiyut, New Aspiration Party; Prasong Munphong, New Aspiration Party; Mana Khusakun, New Aspiration Party

Nakhon Phanom constituency 2

Phaichit Siworakhan, New Aspiration Party; Atthasit Sapsit, New Aspiration Party

Nakhon Ratchasima constituency 1

Suwat Liptaphanlop, Chat Phatthana Party; General Chatchai Chunhawan, Chat Phatthana Party; Wanarat Chansakun, Chat Phatthana Party

Nakhon Ratchasima constituency 2

Police Major General Wut Sukoson, Chat Phatthana Party; Sakun Siphrom, Chat Thai Party; Phairot Suwanchawi, Chat Thai Party

Nakhon Ratchasima constituency 3

Kon Thappharangsi, Chat Phatthana Party; Prachathipatai Khamsingnok, Chat Phatthana Party; Lamphong Philasombat, Chat Phatthana Party

Nakhon Ratchasima constituency 4

Sukhum Lawansiri, Nam Thai Party; Kopsak Saphawasu, Chat Phatthana Party; Niphon Phromphan, Democrat Party

Nakhon Ratchasima constituency 5

Chamlong Khrutkhunthot, Chat Phatthana Party; Rak Dankun, Chat Phatthana Party

Nakhon Ratchasima constituency 6

Somsak Phankasem, Chat Phatthana Party; Police Lieutenant Colonel Somchai Phetprasoet, Nam Thai Party

Nakhon Si Thammarat constituency 1

Samphan Thongsamak, Democrat Party; Surin Phitsuwan, Democrat Party; Manot Wichaikun, Democrat Party

Nakhon Si Thammarat constituency 2

Chamni Sakdiset, Democrat Party; Aphichat Karikan, Democrat Party; Withaya Kaeopharadai, Democrat Party

Nakhon Si Thammarat constituency 3

Triphon Chochit, Democrat Party; Khunying Suphatra Matsadit, Democrat Party

Nakhon Si Thammarat constituency 4

Chinnawon Bunyakiat, Democrat Party; Surachet Matsadit, Democrat Party

Nakhon Sawan constituency 1

Wirakon Khamprakop, Chat Thai Party; Phinyo Nirot, Chat Phatthana Party; Somkhuan Op-om, Democrat Party

Nakhon Sawan constituency 2

Sunai Chunlaphongsathon, Chat Phatthana Party; Bunchu Rotchanasathian, Democrat Party

Nakhon Sawan constituency 3

Thirawat Siriwansan, Social Action Party; Prathuang Khamprakop, Chat Phatthana Party

Nonthaburi constituency 1

Prakop Sangto, Prachakon Thai Party; Samret Atchariyaprasit, Prachakon Thai Party; Phimpha Chanprasong, Phalang Tham Party

Nonthaburi constituency 2

Thawin Chanprasong, Phalang Tham Party; Udomdet Ratanasathian, Phalang Tham Party

Narathiwat constituency 1

Phonphit Phatthanakunloet, Democrat Party; Ariphen Uttarasing, New Aspiration Party

Narathiwat constituency 2

Surachet Wae-s-sae, Democrat Party; Ramri Mama, Democrat Party

Nan

General Sanan Sawetserani, Chat Thai Party; Khamron na Lamphun, Democrat Party; Wanlop Supriyasing, Chat Thai Party

Buriram constituency 1

Newin Chitchop, Chat Thai Party; Prasit Tangsikitkun, Chat Thai Party; Songsak Thongsi, Chat Thai Party

Buriram constituency 2

Panawat Yuangphongphan, Chat Thai Party; Chai Chitchop, Chat Thai Party; Phonthep Techaphaibun, Democrat Party

Buriram constituency 3

Sophon Phetsawang, Chat Thai Party; Watcharin Chanthakun, Chat Thai Party

Buriram constituency 4

Karun Saingam, Democrat Party; Police Colonel Suthi Asuwan, Chat Thai Party

Pathum Thani

Chuchip Hansawat, Chat Thai Party; Chuchat Hansawat, Chat Thai Party; Wani Hansawat, Chat Thai Party

Prachuap Khirikhan

Udomsak Thangthong, Chat Thai Party; Samphao Prachuapmo, Chat Thai Party; Wiset Chaiyai, Chat Thai Party

Prachin Buri

Sunthon Wilawan, Chat Thai Party; Saman Phumakanchana, Chat Phatthana Party; Bunsong Somchai, Chat Thai Party

Pattani constituency 1

Wairot Phiphitphakdi, Democrat Party; Maripeng Chapakiya, Democrat Party

Pattani constituency 2

Muk Sulaiman, New Aspiration Party; Sudin Phuyutthanon, New Aspiration Party

Ayutthaya constituency 1

Montri Phongphanit, Social Action Party; Phonkrit Hongthong, Social Action Party; Pramuan Saphawasu, Chat Phatthana Party

Ayutthaya constituency 2

Bunphan Khaewatthana, Social Action Party; Phongudom Trisukhi, Social Action Party

Phayao

Ladawan Wongsiwong, Democrat Party; Phuanglek Bunchiang, Chat Thai Party; Sanit Ungaphinan, Chat Thai Party

Phangnga

Churin Laksanawisit, Democrat Party

Phatthalung

Suphat Thammaphet, Democrat Party; Niphit Intharasombat, Democrat Party; Somkhit Nunpian, Democrat Party

Phichit constituency 1

Pradit Phattharaprasit, Democrat Party; Phaithun Kaeothong, New Aspiration Party

Phichit constituency 2

Major General Sanan Khachonprasat, Democrat Party; Police Lieutenant Colonel Adun Bunset, New Aspiration Party

Phitsanulok constituency 1

General Siri Thiwaphan, Nam Thai Party; Yingphan Manawikan, Prachakon Thai Party; Suchon Champhunot, Chat Phatthana Party

Phitsanulok constituency 2

Chuti Krairoek, Democrat Party; Udomsak Uchin, Nam Thai Party; Wira Patthamasiriwat, Chat Phatthana Party

Phet Buri

Alongkon Phonlabut, Democrat Party; Thani Yisan, Chat Thai Party; Yut Angkinan, Chat Phatthana Party

Phetchabun constituency 1

Pancha Kesonthong, Chat Phatthana Party; Charat Phuachuai, Phalang Tham Party; Police Major General Prathan Sawangwarorot, Nam Thai Party

Phetchabun constituency 2

Santi Phromphatthana, New Aspiration Party; Air Force Sargeant Kittikun Nakhabut, Chat Thai Party

Phetchabun constituency 3

Kaeo Buasuwan, New Aspiration Party; Iam Thongchaisot, Chat Thai Party

Phrae

Siriwan Pratsachaksatru, Democrat Party; Dusit Rangkhasiri, Chat Thai Party; Metha Ua-aphinyakun, Chat Thai Party

Phuket

Anchali Thepphabut, Democrat Party

Maha Sarakham constituency 1

Prawat Thongsombun, Social Action Party; Suchat Sisang, Solidarity Party; Krit Kongphet, New Aspiration Party

Maha Sarakham constituency 2

Chanchai Chairungruang, Chat Phatthana Party; Suchat Chokchaiwatthana, Social Action Party; Prayut Siriphanit, Chat Thai Party

Mukdahan

Worasuri Chaosirikun, Democrat Party; Rawi Kingkhamwong, New Aspiration Party

Mae Hong Son

Bunloet Sawangkun, Phalang Tham Party

Yala

Wanmuhamatno Matha, New Aspiration Party; Prasoetphong Suwansiri, Democrat Party; Burahanudin Useng, New Aspiration Party

Yasothon constituency 1

Ronritthichai Khanket, Chat Thai Party; Prayut Nitphanit, New Aspiration Party

Yasothon constituency 2

Sarit Pradapsi, New Aspiration Party; Phiraphan Phalusuk, Chat Thai Party

Roi Et constituency 1

Anurak Churimat, Chat Thai Party; Seksit Wainiyomphong, New Aspiration Party; Chalat Khamchuang, Democrat Party

Roi Et constituency 2

Sakda Khongphet, Chat Thai Party; Khachonsak Sisawat, New Aspiration Party; Chatchawan Chomphudaeng, Chat Thai Party

Roi Et constituency 3

Ekkaphap Phonsu, Seritham Party; Chaisak Thakrairat, Chat Thai Party; Suraphon Danaitangtrakun, New Aspiration Party

Ranong

Wirat Romyen, Democrat Party

Rayong

Piya Pitudecha, Chat Phatthana Party; Soemsak Karun, Chat Thai Party; Yongyot Arunwetsaset, Chat Thai Party

Ratburi constituency 1

Sora-at Klinprathum, Chat Thai Party; Thawi Kraikhup, Democrat Party; Wichai Watthanaprasit, Nam Thai Party

Ratburi constituency 2

Police Lieutenant Chaowarin Latthasaksiri, Chat Thai Party; Bunmak Sirinawakun, Democrat Party

Lop Buri constituency 1

Police General Bunchu Wangkanon, New Aspiration Party; Ubonsak Bualuangngam, New Aspiration Party; Niphon Tharaphum, Nam Thai Party

Lop Buri constituency 2

Chaowat Sutlapha, Social Action Party; Niyom Worapanya, Chat Thai Party

Lampang constituency 1

Bunchu Trithong, Chat Thai Party; Phairot Losunthong, Chat Phatthana Party; Wasit Phayakkhabut, Chat Thai Party

Lampang constituency 2

Phinit Chantharasurin, Chat Phatthana Party; Thanthong Thongsawat, Chat Phatthana Party

Lamphun

Montri Danphaibun, New Aspiration Party; Prathuang Panlak, Chat Thai Party; Than Kanwatthanasirikun, New Aspiration Party

Loei constituency 1

General Athit Kamlangek, Chat Phatthana Party; Somsak Saengcharoenrat, Democrat Party

Loei constituency 2

Pricha Rengsombun, Social Action Party; Phinit Sitthiho, Chat Phatthana Party

Sisaket constituency 1

Bunchong Wisommai, New Aspiration Party; Wichit Saengthong, Chat Phatthana Party; Phairot Khruarat, Chat Thai Party

Sisaket constituency 2

Piyanat Watcharaphon, Chat Thai Party; Manop Charatdamrongnit, New Aspiration Party; Police Colonel Phin Wongplang, Chat Thai Party

Sisaket constituency 3

Danairit Watcharaphon, Chat Thai Party; Chamong Phothisaro, Chat Thai Party; Chaturong Phengnoraphat, Chat Thai Party

Sakon Nakhon constituency 1

Phanom Phirabut, Social Action Party; Malirat Kaeoka, Chat Phatthana Party; Aphichat Tirasawatchai, Democrat Party

Sakon Nakhon constituency 2

Sitthirat Rattanawichan, Seritham Party; Watcharin Sisathaphon, New Aspiration Party

Sakon Nakhon constituency 3

Uaichai Sukrat, New Aspiration Party; Wirat Tayangkhanon, Chat Thai Party

Songkhla constituency 1

Winai Senniam, Democrat Party; Niphon Bunyamani, Democrat Party; Amnuai Suwankhiri, Democrat Party

Songkhla constituency 2

Sawai Phatthano, Democrat Party; Thawon Senniam, Democrat Party; Lapsak Lapharotchanakit, Democrat Party

Songkhla constituency 3

Police Lieutenant Colonel Wichit Suwit, Democrat Party; Trairong Suwankhiri, Democrat Party

Satun

Sanan Suthakun, Democrat Party; Thanin Chaisamut, Democrat Party

Samut Prakan constituency 1

Watthana Atsawahem, Chat Thai Party; Wanlop Yangtrong, Phalang Tham Party; Air Chief Marshal Sombun Rahong, Chat Thai Party

Samut Prakan constituency 2

Somphon Atsawahem, Chat Thai Party; Man Phatthanothai, Chat Thai Party; Pradit Yangyuen, Chat Thai Party

Samut Songkhram

Nukun Thanikun, New Aspiration Party

Samut Sakhon

Monthon Kraiwatnuson, New Aspiration Party; Chia Kokphon, Muanchon Party; Udom Kraiwatnuson, New Aspiration Party

Sakaeo

Sano Thianthong, Chat Thai Party; Burin Hiranburana, Chat Thai Party; Witthaya Thianthong, Chat Thai Party

Sara Buri constituency 1

Banyat Wongprayun, Social Action Party; Police General Praman Adireksan, Chat Thai Party

Sara Buri constituency 2

Pongphon Adireksan, Chat Thai Party; Somchai Sunthorawat, Democrat Party

Sing Buri

Police Lieutenant General Thanu Homhuan, Nam Thai Party

Sukhothai constituency 1

Somsak Thepsuthin, Social Action Party; Prasat Thongpaknam, Chat Phatthana Party

Sukhothai constituency 2

Prathuan Khiurit, Chat Phatthana Party; Sub Lieutenant Praphat Limpaphan, Chat Phatthana Party

Suphan Buri constituency 1

Banhan Sinlapa-acha, Chat Thai Party; Bun-ua Prasoetsuwan, Chat Thai Party; Chumphon Sinlapa-acha, Chat Thai Party

Suphan Buri constituency 2

Kanchana Sinlapa-acha, Chat Thai Party; Praphat Phosuthon, Chat Thai Party; Chongchai Thiangtham, Chat Thai Party

Surat Thani constituency 1

Banyat Banthatthan, Democrat Party; Chumphon Kanchana, Democrat Party; Prawit Ninwatthanamani, Democrat Party

Surat Thani constituency 2

Nipha Phringsuraka, Democrat Party; Suthep Thuaksuban, Democrat Party

Surin constituency 1

Chuchai Mungcharoenphon, Social Action Party, Kasem Rungthanakiat, Chat Thai Party; Phunsawat Munlasatsathon, New Aspiration Party

Surin constituency 2

Phisan Munlasatsathon, New Aspiration Party; Yanyong Ruamphatthana, Chat Phatthana Party; Aram Amaradit, Social Action Party

Surin constituency 3

Kamchai Ruangkanchanaset, Chat Phatthana Party; Chusak Aekthong, Social Action Party; Sombat Sisurin, Chat Thai Party

Nong Khai constituency 1

Prasit Chanthathong, Chat Phatthana Party; Phithak Sitabut, New Aspiration Party; Chatchai Iasakun, New Aspiration Party

Nong Khai constituency 2

Phinit Charusombat, Seritham Party; Thamnun Charoendi, Chat Phatthana Party; Sumet Phromphanhao, Seritham Party

Nong Bualamphu

Phairat Nuchit, Social Action Party; Chaiya Phromma, Chat Phatthana Party; Captain Surachat Suwanphrom, New Aspiration Party

Ang Thong

Police Lieutenant General Wirot Pao-in, Prachakon Thai Party; Somsak Pritsananthakun, Chat Thai Party

Amnat Charoen

Suthat Ngoenmun, Democrat Party; Chaiyaphon Thongprasoet, Democrat Party

Udon Thani constituency 1

Chaloemphon Saritwongchai, New Aspiration Party; Phunsak Yuprasoet, Seritham Party; Wichai Chaikitwanitkun, New Aspiration Party

Udon Thani constituency 2

Khachit Chainikhom, New Aspiration Party; Kiatchai Chaichawarat, New Aspiration Party; Prasop Butsarakham, Chat Phatthana Party

Udon Thani constituency 3

Wichian Khaokham, Social Action Party; Surachat Chamnansin, Seritham Party

Udon Thani constituency 4

Prachuap Chaiyasan, Chat Phatthana Party; Rakkiat Sukthana, Social Action Party

Uttaradit

Anuchat Banchongsuphamit, New Aspiration Party; Chaiphak Siriwat, Prachakon Thai Party; Kanok Limtrakun, Chat Phatthana Party

Uthai Thani

Colonel Phon Ruangprasoetwit, New Aspiration Party; Sinlapachai Nuipri, Chat Thai Party

Ubon Ratchathani constituency 1

Kriang Kalanan, Democrat Party; Thamrong Thaimongkhon, Social Action Party; Surasak Thiamprasoet, New Aspiration Party

Ubon Ratchathani constituency 2

Tun Chintawet, New Aspiration Party; Prasit Narongdet, Nam Thai Party; Panya Chintawet, New Aspiration Party

Ubon Ratchathani constituency 3

Pricha Laohaphongchana, Chat Phatthana Party; Sitthichai Khowasurat, Democrat Party; Itsara Sumchai, Democrat Party

Ubon Ratchathani constituency 4

Chuwit Phithakphonphanlop, Democrat Party; Withun Nambut, Democrat Party

Nam Thai Party Chief Says Watthana 'Innocent'

BK0607012895 Bangkok THE NATION in English 6 Jul 95 p A6

[FBIS Transcribed Text] Nam Thai leader Amnuai Wirawan said yesterday that Chat Thai deputy leader Watthana Atsawahem had no link with drug traffickers as alleged by U.S. authorities.

"He is innocent. There would not be a problem if Watthana was appointed to the Cabinet," said Amnuai, who oversaw the Office of the Narcotics Control Board while he was a deputy prime minister in the Chuan administration.

Nam Thai has agreed to join the Chat Thai government, and will oversee the Foreign Ministry.

As a former anti-narcotics chief, Amnuai said there was no evidence to prove that Watthana had any links with the narcotics business as alleged by U.S. authorities.

He said there was no need for him to ask Prasong Sunsiri, who holds the newly created position of Nam Thai Party governor, for added information.

During a no-confidence debate last year, Prasong, then foreign minister, revealed that Watthana had been denied an entry visa by the U.S. because of suspected links to people involved in drugs trafficking.

Asked if Watthana's participation in the Cabinet would affect Thai-U.S. relations, Amnuai said: "Running our country is our own internal affair".

On Monday, in response to questions, U.S. State Department spokesman Nicolas Burns said: "We are aware that people who have been denied visas are being proposed as candidates for senior positions in the new Thai Cabinet.

"In as much as they were refused visas because we had reason to believe that they were involved in drug trafficking, the appointment of these individuals obviously could complicate the bilateral relationship between Thailand and the United States.

With reference to Watthana, Thai drug suppression officials said they had no evidence to substantiate the allegations.

Amnuai said U.S. legal procedures may be different from those of Thailand. "I'm not worried about the accusations," he said.

On Tuesday, Watthana said he regarded Burns' remarks as interfering in Thailand's internal affairs. The Chat Thai deputy leader challenged the State Department to detail its evidence to substantiate allegations against him.

"What did I do wrong? They should have settled it by now," Watthana said. "Thailand is nobody's colony. Do we have to seek U.S. approval before appointing a Cabinet?"

Watthana said he would accept a Cabinet seat if the Chat Thai board of executives decided to give him one.

Thaksin Warns Against 'Tainted' Cabinet Members

BK0607053095 Bangkok BANGKOK POST in English 6 Jul 95 p 1

[FBIS Transcribed Text] Phalang Tham [PDP] leader Thaksin Chinnawat yesterday warned Chat Thai against giving Cabinet roles to those allegedly involved in drug trafficking until they are cleared of suspicion.

Army Commander-in-Chief Wimon Wongwanit broke his self-imposed ban on political comment to say that politicians who are "tainted" should feel ashamed if they accept Cabinet posts.

Their comments came as Chat Thai deputy leader Watthana Atsawahem insisted he must be given a Cabinet post in order to prove United States' drug trafficking allegations against him are false.

Mr Watthana last evening hosted a Chinese dinner for newly- elected Chat Thai MPs, but only a handful apparently joined him in the feast. Party leader Banhan Sinlapa-acha was not among them.

Mr Thaksin said any politician with an "unfavorable background" should clear his image before joining the government.

He said he thought Mr Banhan knew what should and should not be done and would thoroughly consider putting the right man in the job.

Mr Thaksin said he had made the issue (exclusion of Chat Thai members accused of illegal activities) clear before accepting the conditions to join the government.

"We talked a lot about it and agreed clearly (on the issue)," he said.

If there was any attempt to include these persons, he would talk with Mr Banhan to revise the plan.

Mr Thaksin said a special committee should be set up to look into the issue more closely to enable persons to verify their innocence.

"We must be just to all but, for political reasons, they should step aside until their innocence can be verified.

"If we don't make things clear, damage will fall on the people who are being accused and this will be detrimental to their families' image," he said.

Mr Watthana yesterday insisted he had cleared himself of the allegation and should not be ruled out for a ministerial post. The police director-general had checked his record and it was clean. The allegation was part of a mudslinging attempt to discredit him, he claimed.

Mr Watthana said he wanted to see politics in which politicians were not engaged in dirty tricks and hoped people, educated and informed, would understand his situation.

He said he could take the interior portfolio if he was assigned to it, but this had to be discussed by party members.

Chat Thai's policy was for positive ties with all nations, but it would not yield to attempts by anyone trying to take advantage of the country, he claimed. He praised the Foreign Affairs Ministry for protesting about U.S. comment on the possible Cabinet line-up.

Gen [General] Wimon said if allegations of narcotics trafficking were true, those concerned should be ashamed and should not accept Cabinet posts.

The army chief, commenting on suggestions relations between Thailand and the U.S. could be adversely affected if "tainted" politicians were made ministers, said: "We shouldn't pay too much attention to other nations. If we believe we're clean, we shouldn't be concerned about other countries. If the government believes it has done the right thing then it should go ahead with it."

Prachakon Thai secretary-general Yingphan Manatsikan said Mr Watthana was innocent under the Constitution until he was proven otherwise in court.

Surakiat Sathianthai, Chulalongkon University law dean and adviser to the Chat Thai leader, suggested a committee including officials from the Police Department, the Narcotics Control Board and the Supreme Attorney-General's Office be formed to investigate allegations against some Chat Thai members.

The committee should obtain further information from the U.S., he said.

U.S. Drug-Trafficking Accusations Examined

BK0607064795 Bangkok BUSINESS DAY in English 6 Jul 95 p 6

[Editorial: "The Pursuit of Justice Should Rise Above a War of Words"]

[FBIS Transcribed Text] The presumption of innocence is by far the most sacred cornerstone of Anglo-American jurisprudence. In a criminal prosecution, the accused is presumed to be innocent until proven guilty in a court of law. This is a principle without which the entire system of criminal justice is undermined. In practice, prosecutors perform a delicate balancing act. They must respect the rights of the accused; yet also influence the public with the idea that the accused is guilty. In trying to create such an impression, prosecutors are often aided in their endeavors by the media.

The balancing act becomes even more precarious when the situation involves international politics and issues of sovereignty.

The U.S. position on two leading members of the Chat Thai Party is a case in point.

It must first be noted that to date the only official measure the U.S. has taken against the two men is denial of their entry visas. This is not a criminal matter in any sense. Visas may be withheld for a wide variety of reasons. The rules and standards of evidence for are not nearly as stringent as those in criminal proceedings.

The first major problem arises because the U.S. authorities' claim that the men are involved in drug trafficking. Consequently, questions arise over whether the men should be entitled to the presumption of innocence. In addition, it must be asked if the specific charges and evidence against them can be fully disclosed.

These questions are not at all difficult to solve if the presumption of innocence before proof of guilt beyond any reasonable doubt is upheld and tested in court. But the U.S. has already chosen to try the cases against these individuals in the court of world public opinion. In the interest of truth and fairness, the U.S. should present its case clearly. The accused must be given a chance to prove their innocence. Anything less would be a travesty of justice.

The issue of national sovereignty presents another difficulty. The U.S. has again chosen the media to voice the idea its relationship with Thailand could become "complicated" if either individual was to be appointed to responsible government positions. There is nothing particularly subtle about this approach, and we can't remember the last time the U.S. used a spokesperson of the State Department to tell another sovereign nation who it should or should not choose to appoint to office.

It would serve no purpose, however, for Thailand to respond with self righteous indignation. A far better response would be to ensure that the process of selecting officials to responsible government positions proceeds with absolute and uncompromising honesty and transparency. That is a far more dignified reaction than engaging in a war of words.

The relationship between Thailand and the United States is fundamentally sound. It is based on many decades of friendship.

The best method to nurture and strengthen this bond is through an uncompromising commitment to the basic principles of fairness and justice. In turn, this will engender an atmosphere of mutual trust and cooperation.

Coalition Members Chide U.S. for 'Criticism'

BK0607065895 Bangkok THAILAND TIMES in English 6 Jul 95 p 1

[FBIS Transcribed Text] Leading members of coalition parties designate yesterday strongly lashed back at the United States for its criticism against the Chat Thai Party [CPT]-led government if some members alleged of having involved with drug trafficking are to be offered Cabinet posts.

The CTP executive member Chumphon Sinlapa-acha yesterday insists that no problem would arise from offering a Cabinet post to the CTP deputy leader Watthana Atsawahem. Watthana has been denied an entry visa to the U.S. for suspicious involvement with drug trafficking.

However, Chumphon said the U.S. has pledged not to interfere in the internal affairs of Thailand as well as the formation of the new government since everything regarding allegations have been cleared up. The U.S. government has also said it will support the elected government.

"What is this country?" Muan Chon Party leader Chaloem Yubamrung asked the U.S. officials during the celebration of the U.S. Independence Day held yesterday at Hilton Hotel.

"Do we have to seek the permission from the Clinton administration every time we form a new government?" said Chaloem.

State Department spokesman Nicholas Burns told reporters in Washington that bilateral relations between

Thailand and U.S. would be strained if suspected candidates are proposed as nominees for senior positions in the new Cabinet.

Two senior Chat Thai members — Watthana and Narong Wongwan — have been refused visas to travel to the U.S. because of American suspicion of their involvement in drug trafficking. They have denied the allegations.

"Thailand is not a colony of the United States. And, I will accuse Mr Clinton of having sexual affairs with his secretary," said Chaloem.

Chaloem said any allegations should have grounds to be proven, adding the U.S. allegation is not a serious issue since there are no evidences to provide it.

Chaloem and Chumphon also pointed out that the U.S. allegation would not affect the government formation.

The CTP MP for Buri Ram Newin Chitchop, a superstar debater during the last no-confidence debate, said foreign countries do not really pay much attention to problems outside their countries, adding the U.S. comment's was sparked by ones who wanted to create confusion.

"I believe that every democratic country stands by its own principle," said Newin who declined to say the Democrats who lost chance to form the government were behind the criticism.

Burin Hiranburana, the CTP MP for Prachin Buri, also lashed back at the U.S. government which frequently leaks such bad news without taking serious actions against the accused. "This thing has occurred again when the seven-coalition parties are about to form the government."

"This is because of the angers of the U.S. who faces lawsuits filed by Watthana," he said.

Army Chief Plays Down U.S. Cabinet Concerns

BK0607053695 Bangkok BUSINESS DAY in English 6 Jul 95 p 1

[FBIS Transcribed Exerpt] Army Commander-in-Chief, General Wimon Wongwanit, said yesterday that concerns expressed by the United States over the possible inclusion of controversial Chat Thai figures in the new Cabinet should not be taken too seriously.

"Don't pay too much intention [as published] to what other people say. We should focus on what we really see. I think anyone who knows inside that he is what he is accused of being, would feel ashamed and would not volunteer to work for public office," he said.

General Wimon was referring to U.S. reservations about the possible Cabinet roles of Chat Thai deputy leader Watthana Atsawahem and chief party advisor Narong Wongwan.

Washington suspects the two senior Chat Thai members of being involved in international narcotics smuggling, and has refused U.S. entry visas to both Mr Watthana and Mr Narong. [passage omitted]

Wimon: Chawalit 'Acceptable' as Defense Minister

BK0607084495 Bangkok THE NATION in English 6 Jul 95 p A6

[FBIS Transcribed Text] Army Commander Wimon Wongwanit said New Aspiration Party [NAP] leader Chawalit Yongchaiyut was acceptable to the military if he was appointed defense minister.

However, he declined to say if Gen [General] Chawalit was the most suitable person for the post.

"The military accepts the new government. The military would accept anyone appointed as defense minister. We would respect the government's choice on this matter. But we can't say who would be the best person for the job," he said.

Asked about previous dissension between Gen Chawalit and Class 5 graduates of the Chunlachomklao Royal Military Academy, Wimon said all his subordinates loved Chawalit.

Chat Thai, which won the most House seats in Sunday's general election, and six other parties have agreed to form a coalition government. The NAP is to oversee the Defense Ministry and Chawalit is the most likely choice to become the defense minister.

Gen Wimon said he was not worried about the formation of the new government, and that the Army would do its best to serve the people and the country.

"It's what the Thai people want and it's about democratic rule, so the military has to follow the same path," he said.

He said it would be preferable for the defense minister to have a military background because he would have an edge over a non-military person, both in knowledge and in policy making.

An officer or an ex-officer would be respected by the military due to the existence of the seniority system, Wimon said.

Foreign Investors Expect Stable Economic Policy

BK0507144495 Bangkok BANGKOK POST in English 5 Jul 95 p 17

[Report by Darani Kothandapani]

[FBIS Transcribed Text] The Chat Thai Party has gone out of its way to reassure worried foreign investors that it plans to continue the economic policies set in motion under the former Democrat-led government.

"It (Chat Thai) has indicated that it will continue with the economic policies pursued by the Chuan government. As long as the new Cabinet does this, we are relieved," said Ichiro Nunokawa, executive managing director of the Japanese Chamber of Commerce who added that he did not feel Japanese investment would be affected by the change in government.

However, it is evident that foreign investors are waiting anxiously for Chat Thai leader Banhan Sinlapa-acha to announce Thailand's new Cabinet — particularly the finance minister — before making an assessment of the kind of government or policies likely to be presented by the new coalition.

Each member of the coalition must recognize the importance of continuity in policies so that no sudden departures from established policy take place, explained Robert Wilson, president of the American Chamber of Commerce.

Such stability is fundamental to the long-term growth of the economy, said Mr Wilson who refused to comment on specific politicians.

"Strong leadership is essential to investment," he added. He said that in his view, American investors consider the relative advantages offered by countries in the region before making investment decisions.

"American investors have demonstrated by their increased investment that they recognize the unique opportunities presented by Thailand as one of the fastest-growing economies in the region."

While none of the chamber presidents would comment on individual politicians, sources expressing their private views observed that while Mr Banhan had no "international features", neither did Mr Chuan when he started out. Mr Banhan's ability to run his own business was seen as a point in his favor.

The sources said they felt it would take political savvy to keep the coalition together.

Surprisingly, Mr Banhan's connection to Chat Thai deputy leader Watthana Atsavahem was not viewed as very important. Mr Watthana has been denied entry visas to the United States because of suspected links to people involved in drug trafficking.

"If you dig deep in Thai politics or even in western countries, you are bound to hit dirt," was the view of one source.

The investment community's main concern is whether investment decisions on infrastructure projects made by the previous government would hold, said a source in the foreign community. He said most investors were taking a pragmatic view but remained concerned that cases under review should not be put on hold for too long.

"The government's overall outlook is important, and to have everyone working together is important in a coalition," said Sam Cohen, president of the Thai-Canadian Chamber of Commerce.

The British Chamber of Commerce would not be drawn into comment; neither did the Australian Embassy offer its news.

"The important test will be who (Mr Banhan) picks as the finance minister," observed Rob Collins, research director at First Asia Securities. The other key is the strength of the coalition.

If the coalition is seen to be stable, it would be good for the markets. However, too much corruption and scandal would worry foreign investors.

Tom Bonham Carter, chief investment officer at Thai Asia Mutual Fund Co, said: "The country's strong economic growth should be encouraged, but it should not be at a pace at which inflation would get out of control." The new government must also avoid a budget deficit, he added.

Army Chief Denies Supporting Khmer Rouge

BK0507120995 Bangkok Radio Thailand Network in Thai 0530 GMT 5 Jul 95

[FBIS Translated Text] Army Commander General Wimon Wongwanit has denied as untrue the allegation that the Khmer Rouge has been allowed to live inside Thai territory. He said:

[Begin recording] [Wimon] The area near An Ma border crossing point was captured by the Khmer Rouge. It is a high ground divided into two parts between Thailand and Cambodia. They think the Khmer Rouge are inside our territory. I want to tell everyone that we have never been involved because we have no reason to support any minority groups. Our national policy states clearly that we will not interfere in the internal affairs of other countries as we want to foster good relations with our neighbors. I can reaffirm that the Army has never done such a thing. The report was written by someone who has nothing to write about.

[Unidentified reporter] [Question indistinct]

[Wimon] If the mass media people want to inspect the area, I will have the Army's spokesman take them there. Right at the borderline, we will show them which part belongs to Thailand and which to Cambodia. We must see the area before making any comment. We the Thai people have our own dignity. It is no use for the Army to lie to the fraternal people in this regard. The Army does not have money to give away to foreigners. Assistance given to any minority groups does not do any good to the Army or country. This is the first issue. Now the next question.

[Unidentified reporter] Is it possible that the accusations of this nature stem from the lack of good understanding of us on the part of the Cambodian Government?

[Wimon] No, that is not the reason. It is the communication gap between the operation units in the field and the government, and between the superiors and their subordinates. In our case, my subordinates will first inform me wherever I may be if anything happens. The incorrect understanding is caused by the communication gap. The Cambodian soldiers merely use the allegation on Thai support for the Khmer Rouge as an excuse to withdraw from the area. [End recording]

Officials Discuss South China Sea Conflict

BK0507141395 Bangkok THE NATION in English 5 Jul 95 p 3

[Report by Rita Patiyasewi]

[FBIS Transcribed Text] Phuket — Freedom of navigation in the South China Sea is assured despite unsettled conflicting claims over its two archipelagoes, Dr Sombun Sa-ngiambut, the Department of East Asian Affairs director general, said yesterday.

Sombun, speaking during an informal eleven-country technical meeting on South China Sea issues, said China and Vietnam had reiterated their earlier declarations to not use force to settle disputes and to abide by the Manila Declaration.

The Association of South East Asian Nations' (ASEAN) declaration on the South China Sea issued in Manila in 1992, and endorsed by ASEAN and the United States, Japan, Australia and the European Union, called for the renunciation of the use of force in the settlement of disputes.

Sombun said China stressed that it would refrain from the use of force to settle disputes, which would obstruct navigation in the region of the disputed Paracel and Spratly Islands.

The South China Sea provides important sea passage for some 200 vessels per day. Dr Arun Phanuphong, the director of the International Studies Center, said instability in the region would affect trade in the Asia Pacific and especially Thailand, whose economy depends largely on foreign trade, with more than 50 per cent of its international trade goods being shipped via this route.

Zhou Jian, deputy director of China's Foreign Ministry's Treaty and Law Department, said China advocates a peaceful settlement to disputes and supports joint development in the region.

Robert Beckman, a professor of Law at Singapore's National University, cited the Falkland Islands as an example of cooperation overcoming conflict.

"If there is the political will for all parties to cooperate and settle disputes amicably, then good lawyers can help overcome legal problems in the South China Sea," he said.

He said the legal aspects of navigation in the South China Sea should not be a problem.

The technical meeting, which ends today, is expected to call for a consensus on cooperation in assessing the resources of the South China Sea.

Dr Sombun said the meeting had helped skeptical countries accept with confidence that cooperation was possible despite unsettled conflicting claims in the area.

"Thailand is willing to cooperate in the assessment of the South China Sea's resources, one of several joint efforts which would help reduce tension in the disputed area," he said.

Events Held To Mark Relations With PRC

BK3006135795 Bangkok THE NATION in English 30 Jun 95 pp 1A, 2A

[FBIS Transcribed Text] Thailand and China are to launch a three-day series of activities today to mark the 20th anniversary of the normalization of diplomatic relations between the two countries.

The pact to re-establish diplomatic ties was signed in 1975 by the then Thai Premier Khukrit Pramot and Chinese Premier Zhou Enlai.

Prime Minister Chuan Likphai will make a televised speech to be broadcast nationwide on July 1 to mark the occasion.

On Sunday, ACM [Air Chief Marshal] Sitthi Sawetsila, former foreign minister and privy councilor, will lead a high level delegation to Beijing to join the Chinese in commemorating the event.

Many Thai politicians, including Chat Phatthana leader Gen [General] Chatchai Chunhawan, would have also joined the excursion had they not been preoccupied with the general election.

In Bangkok, a series of celebrations are also being organized. The first event will get underway this evening at a banquet hosted by the Chinese Embassy at the Shangri-la Hotel.

On Saturday, Chulalongkon University's Faculty of Political Science have organized a day-long celebration including a seminar and the inauguration of the newly-established Chinese Studies Center, a branch of the faculty's Asian Studies Center.

Former Premier Anan Panyarachun, who played a key role in the normalization of diplomatic ties, will preside over the inauguration.

The seminar entitled "Sino-Thai Relations — the Past, Present and Future" will be attended by leading academics and sinologists, as well as businessmen.

Thai-Sino relations date back to 1946 when Bangkok first established diplomatic relations with the Kuomingtang government. Thailand continued to recognize the Chinese nationalists after they fled from the communist take over in 1949.

However, normal diplomatic relations were severed between the Chinese communist government and Thailand until July 1, 1975 . Thailand then discarded formal links with Taiwan but managed to maintain economic ties with the country China claims sovereignty over.

Based on mutual interests, Sino-Thai relations reached their zenith during the joint effort against Vietnam after Hanoi attacked Cambodia in 1979.

It was an open secret that Thailand allowed China to channel arms through to the Khmer Rouge to support it's resistance against the Vietnamese-backed Cambodian government. In exchange, China promised to stop supporting the Communist Party of Thailand, which subsequently collapsed.

Human resources exchange at all levels a warm reception from China and the purchase of military equipment at a "friendship price" are all proof of the special relationship that has developed between the two countries.

Economic ties between Thailand and China have expanded, with the volume of trade worth over U.S. $2.3 billion last year, a dramatic increase on U.S. $10 million which was registered in the early days of diplomatic relations.

Coinciding with the 20th anniversary, Chinese Defense Minister Chi Haotian arrived in Bangkok yesterday for a six-day official visit.

Chi is scheduled to discuss matters of mutual interest with his Thai counterpart, Gen Wichit Sukmak, this morning, a Defense Ministry official said.

Chi Haotian Attends PRC Banquet in Bangkok

BK0207081995 Bangkok ZHONG HUA RIBAO in Chinese 1 Jul 95 p 5

[FBIS Translated Excerpt] PRC Ambassador to Thailand Jin Guihua said last night that cooperation between China and Thailand in the political, economic, cultural, scientific and technological, and military fields has been fully developed since their establishment of diplomatic relations on 1 July 1975. The two countries have held close consultations and cooperated on international and regional issues, and have made positive and important contributions to regional peace and stability. Reviewing the past and looking at the future, Ambassador Jin Guihua expressed his confidence in the steady development of friendly ties. China is willing to work with Thailand to push friendly relations to a new and higher level.

Ambassador Jin Guihua made the above remarks while speaking at a grand reception held at the Shangari-La hotel last night to mark the 20th anniversary of the establishment of diplomatic relations between China and Thailand. Deputy Prime Minister Suphachai Phanitchaphak also spoke at the party. He praised China for its rapid development and progress in economic, trade and other fields.

He said Thailand considers China its close friend. Economic cooperation and trade contacts have been growing continually. Many Thai businessmen have invested in China. The development of the Mekong River is significant for trade, tourism, communications, investment, human resource, and the environments of the countries in the river basin. The Thai Government greatly supports this development.

He said that in the next decade, the Mekong River basin countries will be an area of great economic development. It will provide more opportunities for regional economic development and trade cooperation. Suphachai said the world is changing rapidly. Thailand and China can become strong economically, and this will bring prosperity and allow for the greater cooperation between the two countries and the whole region.

Chi Haotian, Chinese State Councilor and concurrently Defense Minister, who is on a visit to Thailand, was also invited to attend the party.

Among Thai officials present at the party were representatives from various mass organizations and the private sector. They included privy councilor Air Chief Marshal Sitthi Sawetsila, privy councilor Kanthom Sinthuwanon, former prime minister Anan Panyarachun, Senate President Michai Ruchuphan, Defense Minister General Wichit Sukmak, and National Security Council Secretary General General Charan Kunlawanit. [passage omitted on names of other participants]

Vietnam

U.S. Senators' Letter on Normalization Examined

BK0507125595 Hanoi Voice of Vietnam in English 1000 GMT 5 Jul 95

[Station commentary]

[FBIS Transcribed Text] Eight American senators have signed a letter calling all other senators to support normalization of relations with Vietnam. On this issue, our radio editor comments:

Reports from New York say normalization with Vietnam is one of the issues widely covered by the press in the United States, particularly since the end of the mission sent by the U.S. President to some Asian countries including Vietnam. American officials said pressure demanding for normalization with Vietnam has been increasing in the U.S. Administration, particularly of the State Department and the Congress. Among them are Assistant Secretary of State in charge of East Asia Pacific Affairs Winston Lord; economic advisers to President, particularly Secretary of Commerce Ron Brown; and two senators who are Vietnam War veterans, John Kerry and John McCain. The two senators pointed out that they would soon push for a resolution calling on President Clinton to normalize relations with Vietnam which has been supported by many businesses.

However, there remains some discordant notes against full normalization between the United States and Vietnam with the reason that it is difficult to be implemented, that is the completion of the settlement of the MIA/POW. Then comes normalization. In their letter, Senators John McCain, Robert Kerrey, Bennett Johnston, Christopher Bond, John Kerry, Frank Murskowski, Charles Robb, and Alan Simpson pointed out: Most veterans and most of American people support normal relations with Vietnam, first, to ensure that we receive the fullest possible accounting for our POW/MIA, and for several other important reasons as well.

The letter says: The United States withdrew its military forces from Vietnam 22 years ago last April. We think that time has arrived for the United States to adopt a policy for Vietnam based less on the resentment of war than on our sound judgment about how best to keep our commitments, protect our interest, and advance our values in a part of the world whose strategic relevance to the United States is greater today than it was when we fought a war there.

The letter continues: The few critics of the decision last year to lift the trade embargo argued that once we terminated the embargo, Vietnam would cease cooperating with our accounting effort. As is well documented, Vietnam's cooperation with our effort to account for our missing accelerated following the end of the embargo. The letter stresses: Eleven U.S. military personnel involved in our accounting effort from the commander in chief of the U.S. forces in the Pacific to the private first class excavating crash sites have confirmed that Vietnam's cooperation has been extraordinarily extensive, and represent a genuine effort on the part of the government and people of Vietnam to resolve the issue once and for all. Evidently, Vietnam has positively met the conditions for normalization of relations as raised by the Bush administration. In return, the United States should keep its commitments. Besides, the United States may also promote other important interest in the region, thanks to normal relations between it and Vietnam.

Normalization of Ties With U.S. Viewed

BK0507125895 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 4 Jul 95

[Article by Station Editor Thanh Hai]

[FBIS Translated Text] In the framework of the U.S. national day, we take into account the fact that the process of normalization of U.S.-Vietnam ties has continued to take a positive turn. By mid-1995, more and more U.S. politicians have called for the quick normalization of ties with Vietnam. They include well-known U.S. senators like John McCain of the Democratic Party [name of party as heard] and John Kerry of the Republican Party [name of party as heard], U.S. Secretary of State Warren Christopher, and many other U.S. officials. At a ceremony in Washington on 29 May 1995 to introduce new stamps of U.S. servicemen missing in the Vietnam War, U.S. President Bill Clinton said: Vietnam has been more cooperative than ever before in accounting for missing U.S. nationals. On 29 June, the U.S. Defense Department welcomed the MIA documents provided by Vietnam. They were termed by the U.S. Defense Department as the most useful information so far and as proof of the efforts of the Socialist Republic of Vietnam to cooperate with the U.S. side in resolving this humanitarian issue.

Furthermore, in the framework of economic cooperation, more and more major U.S. companies and conglomerates have entered Vietnam to establish business ties and seek trade partners. The U.S.-Vietnam cooperation machinery has already been activated with the introduction of initial products. Of late, representatives of more than 100 U.S. companies and trade associations called for the normalization of ties with Vietnam. They signed a letter addressed to all U.S. senators urging them to support the efforts of Senators John McCain and John Kerry and protested against the resolutions introduced by Bob Dole, (? Bob Smith), and other senators to oppose the normalization of ties with Vietnam.

As for Vietnam, acting in line with the policy of closing on the past and looking to the future, we affirm that the Vietnamese people are prepared to normalize ties with the United States in the interest of the two peoples and for the sake of peace, cooperation, stability, and development in the region and the rest of the world. We always regard the POW-MIA as a humanitarian issue without any political conditions attached and will continue to cooperate with the United States in resolving this issue.

Trade Deputy Minister on Joining ASEAN

BK0507102895 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Jun 95

[Interview with Deputy Trade Minister Mai Van Dau by station correspondent; recorded — place and date not given]

[FBIS Translated Text] [Correspondent] Comrade deputy minister, in anticipation of Vietnam's joining ASEAN, what is the Ministry of Trade doing by way of preparation?

[Mai Van Dau] In anticipation of this event, the Ministry of Trade has been making preparations since early 1994, after we had had discussions and decided to join ASEAN. The Ministry of Trade presented a report to the government suggesting that after joining ASEAN, Vietnam must participate in the AFTA [ASEAN Free Trade Area]. The government has paid special attention to this suggestion and has assigned the Ministry of Trade to take the main responsibility for dealing with AFTA and to lead a high-level delegation to participate in various ASEAN economic conferences. Moreover, the Ministry of Trade is filing a report to the government on various urgent tasks that we should do prior to participating in AFTA and joining the CEPT [Common Effective Preferential Tariff]

[Correspondent] As far as this issue is concerned, what are the problems between Vietnam and ASEAN related to the export-import field? Are there any difficulties or advantages that can be foreseen?

[Mai Van Dau] This is a very significant issue because it involves tariffs. First, when we participate in AFTA we must discuss the implementation of the CEPT. For this reason, we are studying ways of satisfactorily implementing the CEPT and AFTA. The Ministry of Trade is closely coordinating with other ministries and sectors concerned to study and present to the government a general framework on tax reduction in accordance with ASEAN's tariff reduction plan. Second, regarding Vietnam's production, it is necessary to say that we have just shifted to the market economy and our economic development is still at the initial stage. As a result, various tax measures are being designed to ensure stability for our domestic production and to promote the development of our economy in general and our foreign trade in particular. In joining ASEAN we must reorganize our tax and tariff system to meet the organization's requirements. On this issue, the Ministry of Trade is working closely with various sectors to come up with the best plan to appropriately reduce our tax barriers to meet the ASEAN general requirements. Moreover, we must also discuss the issues related to the most favorite nations and the policy on goods imported to Vietnam from countries in the region. These are issues that must be resolved and in designing a solution for these issues, we must consider the pros and cons very carefully. I think that after joining AFTA, there will be benefits for our export-import sector. We may not realize this interest in the immediate future, but in the long-run we will see it clearly. Moreover, I can say that after joining AFTA, Vietnamese production establishments will have more markets for their products; they should therefore strive to develop further to catch up with the general development. When we join AFTA, Vietnamese products will be exported to the world market as goods from the region and not from Vietnam as in the past. This is a great advantage for Vietnam and it will serve as a basis for our country participating in other international or global organizations such as the WTO [World Trade Organization]. I think that this is a good chance for our foreign trade relations to develop a further step. I would like to stress here that when we decide to join international economic organizations, we must accept changes in our trade and business structure so as to meet the requirements of the joining process. Nevertheless, this will be of long-term benefit to our economy.

[Correspondent] In addition to the Ministry of Trade's efforts, what preparations should Vietnamese production establishments make in anticipation of the event?

[Mai Van Dau] As for the Ministry of Trade, or in other words the state side, we must carry out many tasks and I think that production establishments should do the same. This is because in exporting our goods to the world market we will face a higher level of competition. Regarding Vietnamese production establishments, first they must make proper preparations, especially for enhancing the quality of their products, to be able to compete with those of other nations. Second, when our goods are exported under the ASEAN name, more efforts should be made to study and understand our clients' tastes. We must also strive to learn more about the laws and regulations of countries in the region. Only by achieving this will we be able to compete effectively in the world market. I would like to say that regarding the Vietnamese production establishments, they will gain more advantages through the ASEAN regulations. However, these establishments should not rely chiefly on these regulations, but instead should make great efforts to develop further for the long-term interest. As a result, they should strive to study all aspects of trade and business so as to surge forward to firmly grasp new technology while striving to improve the quality of their products and make them reach an international standard.

[Correspondent] Thank you very much, comrade deputy minister.

Do Muoi Addresses Political Institute Graduates

BK0607090995 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 2 Jul 95

[FBIS Translated Text] The Ho Chi Minh National Politics Institute recently concluded three refresher courses of Special Politics, Provincial and City Organization Cadre, and Bachelor of Politics. At the graduation ceremony on 1 July, Comrade Do Muoi, general secretary of Party Central Committee addressed the delegates of the courses. Also at the ceremony was Comrade Nguyen Duc Binh, member of Party Central Committee Political Bureau and director of the institute.

General Secretary Do Muoi clearly pointed out the demands of the forthcoming party congress at the local and national levels in which he stressed the importance of the contents of the document [not specified] and cadre work. That is why training and refresher courses are essential for cadres so that they will be fully informed and will strictly follow party resolutions. In all areas of party work, cadres should be proficient with the principle of centralized democracy and should use it in discussions of all issues in order to reach highest unanimity. The cadre organization task should be continuously reformed, experience accumulated, and shortcomings overcome so that the effectiveness of organizations will be heightened continually.

Comrade general secretary also analyzed with details the international and domestic situation, and confirmed that the path to socialism of our country is definitely the right one. Each cadre and party member should remember that the people are always attached to class, and national independence is always attached to socialism. Based on the 1930 Platform and later ones, our party has drawn out the right path and held firmly to the leadership role, thus directing the country through all difficulties and obstacles to achieve tremendous successes.

Comrade general secretary stressed that by following socialism, developing the country's strength in the new period, and implementing correctly the party's platform and resolutions, we will definitely fulfill the aims of becoming a prosperous people, making the country strong, and the society equitable and advanced. He trusted that the delegates of the courses will perform well in their party work.

Leaders Pay Respects to Catholic Archbishop

BK0507154895 Hanoi VNA in English 0614 GMT 5 Jul 95

[FBIS Transcribed Text] Hanoi VNA July 5. — Vietnamese party and government leaders have paid their respects to Ho Chi Minh City's Roman Catholic Archbishop Paul Nguyen Van Binh who died on July 1 at the age of 85.

Communist party Politburo member Vu Oanh placed a wreath on behalf of party General Secretary Do Muoi at the laying in state of Archbishop Binh in the archbishopric. Party Advisor Nguyen Van Linh also came and paid a floral tribute to the deceased.

State President Le Duc Anh, government Prime Minister Vo Van Kiet, and National Assembly Chairman Nong Duc Manh all sent wreaths.

The government delegation led by Deputy Prime Minister Nguyen Khanh, and the Fatherland Front delegation by Tran Van Dang, member of the Presidium and general secretary of the front were among more than 60 delegations which came to pay last homages to the deceased.

Ho Chi Minh city's top leaders to the memorial ceremony included Vo Tran Chi, secretary of the party committee Pham Chanh Truc, chairman of the people's council Truong Tan Sang, mayor of the city and Le Khac Binh, president of the city's fatherland front.

Funeral services for Archbishop Binh will be held this morning at the city cathedral in the presence of Cardinal Pham Dinh Tung, who is head of the funeral organising committee.

The former archibishop will be buried today at the chapel of St Joseph's monastery.

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